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7 March 1985

# Latin America Report



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INTER AMERICAN AFFAIRS

CASTRO SAID TO URGE JAGAN TO COOPERATE WITH BURNHAM

Kingston THE DAILY GLEANER in English 28 Jan 85 p 7

[Text]

GEORGETOWN,  
Jan. 27 (AP)

Guyana's *Catholic Standard* newspaper, published by the Roman Catholic Church here, has reported that Cuban President Fidel Castro told Cheddi Jagan, head of the Marxist opposition Peoples Progressive Party (PPP) in Guyana, that he should co-operate with the party in power in order to gain socialist objectives.

In its latest edition, the paper said in a front-page article that Jagan met with Castro, but did not indicate where or when.

According to the writer, Castro is believed to have told Jagan that the PPP must join forces with the ruling Peoples National Congress party (PNC) "to enhance socialist development."

Guyana President Forbes Burnham is leader of the PNC, itself of socialist tendencies.

The article said it is thought that instruc-

tions were coming from Moscow through Cuba, calling on Jagan to collaborate with the PNC.

Meanwhile, the deputy leader of the PNC, former Prime Minister Ptolemy Reid, said Friday that co-operation among the two parties could further cement unity in Guyana and "guard against imperialist intervention and further the process of socialist construction and enhance national development."

Reports are circulating in Georgetown that Jagan will be offered the position of first Deputy Vice President of Guyana under Burnham.

However, it is widely felt that if Jagan accepts the PNC initiative, he could lose the significant backing from thousands of Indians who support his party. But some political figures are said to believe that a move toward unity would be in the country's interest.

INTER-AMERICAN AFFAIRS

TRINIDAD-TOBAGO TRADE WITH CARICOM UNDER SCRUTINY

Manufacturers' Views

Port-of-Spain SUNDAY GUARDIAN in English 27 Jan 85 p 3

[Text]

THE Council of Ministers of the Caribbean Common Market (Caricom) was to meet in Guyana tomorrow and one of the items on the agenda was the status of trade between member countries. That meeting has postponed at the request of Trinidad and Tobago. However, trade between this country and other Caricom countries has been a serious issue for some time now and is of growing concern since, as the Trinidad and Tobago Manufacturers Association (TTMA) states, trade is largely one way - into Trinidad and Tobago. In the following statement the TTMA discusses the issue backed up with some interesting figures.

Contrary to the view expressed in some quarters locally and also in other Caricom countries, there is a considerable amount of trade being done between Trinidad and Tobago and Caricom. The only problem is that this trade is working one way, that is into Trinidad and Tobago.

The table on this page reveals that trade between Trinidad and Tobago and Caricom showed a deficit of \$274 million from January to November, 1984, compared to the deficit in 1983 of \$143 million. These figures exclude petroleum products. Even, including petroleum products, there was still a deficit of some \$76 million in 1984.

FAVOURABLE BALANCE

Of the MDCs, (more developed countries) this country enjoy a favourable balance with Guyana only, when petroleum products are included.

The figures in the table clearly show that trade in the Caricom region works against Trinidad and Tobago. It also shows that the Ministry of Industry, Commerce and Consumer Affairs is in fact using the licensing system merely for monitoring purposes and is not taking into account any form of managed trade in order to protect local manufacturers/consumers and, indeed, the country as a whole.

In the final analysis, the consumer in Trinidad and Tobago is being forced, in these very difficult times, to subsidise Caricom. This is unfair and not in the interest of Trinidad and Tobago.

STRONG RECOMMENDATIONS

Prior to the Heads of Government Conference in Nassau in July 1984, the TTMA made very strong recommendations which would have ensured that trade within the region would have taken on a fair basis. Unfortunately, with no member of our association present in Nassau, the recommendations were completely overlooked and after what appeared to be a very dynamic opening speech on the part of our Prime Minister, we ended up with some form of an agreement that, if implemented in its entirety, would



**INCLUDING PETROLEUM SECTOR**

COUNTRIES	Imports (CIF)		Domestic Exports (FOB)	
	Jan. - Nov. '84	TT\$	Jan. - Nov. '84	TT\$
GUYANA	45,262,300	91,593,100	45,262,300	13,053,200
GRENADINES	—	4,300	—	4,300
DOMINICA	7,786,600	3,433,000	7,786,600	1,789,900
GRENADA	8,193,500	12,857,100	8,193,500	4,756,200
ST. VINCENT	37,231,400	9,880,700	37,231,400	4,930,300
SAINT LUCIA	7,364,500	16,441,900	7,364,500	4,452,600
MONT SERRAT	900,500	3,366,000	900,500	347,300
ANTIGUA	5,988,400	11,695,500	5,988,400	2,549,100
ST. KITTS/NEVIS	—	—	—	—
ANGUILLA	6,381,300	8,198,900	6,381,300	1,654,200
BARBADOS	78,673,800	32,781,500	78,502,700	21,686,200
JAMAICA	71,726,000	17,915,500	71,715,400	4,292,000
BRITISH	14,465,500	88,300	14,465,500	88,300
BAHAMAS	—	—	—	—
<b>TOTAL</b>	<b>283,973,900</b>	<b>207,956,800</b>	<b>283,792,300</b>	<b>59,593,600</b>

\* SOURCE - CSO, Data Provisional

cause tremendous unemployment and plant closures in Trinidad and Tobago.

A Council of Ministers meeting of the Caribbean Common Market will take place in Guyana shortly, having been postponed from tomorrow, and will review developments within the region since the Heads of Government Conference in Nassau. We hope that our representatives at that postponed meeting would ensure that the interest of Trinidad and Tobago is looked after.

The TTMA has constantly expressed the view that the measures adopted in Nassau did not address itself to the underlying problems experienced by local manufacturers in exporting its products to other Caricom territories.

The TTMA reiterates that in relation to Barbados, the problem is one of absence of uniform application of the Negative List, which results in Trinidad and Tobago manufacturers having to compete with imports from third countries into Barbados while Barbados manufacturers enjoy full protection in the export of their products to the Trinidad and Tobago market.

The obvious mechanism for resolving the problems, therefore, lies in the application of a regional Negative List.

In respect of Jamaica, the problems lie in two areas:

## COMPLETE EDGE

its massive devaluation that gives it a complete edge of some 25-30 per cent over its Caricom counterparts; and

•the continued uncertainty of its currency rate makes it impossible to trade with that country; in addition, its inability to pay at once further aggravates the situation.

Regarding Guyana, we do not feel that there is need to say any more on this situation, save and except that the private sector cannot continue to support the economy of Guyana as our Government does.

In respect of the OECS (Organisation of Eastern Caribbean States), these markets are extremely small and fragmented and as far as we are aware, duty structures are still not in place. Because of the small size of the markets and low purchasing power, they are certainly not markets that are interesting for Trinidad and Tobago manufacturers. However, if their manufacturers are to

be allowed to ship freely into Trinidad and Tobago then the rules of origin criteria would have to be clearly enforced with the Customs and Excise Division in Trinidad and Tobago taking full control of the situation.

There is need for a considerable amount of investigation to be done on several plants or factories in these areas prior to agreement on a level of trade between Trinidad and Tobago and these territories.

In the light of the foregoing, the TIMA repeats its recommendations that the trade and investment provisions of the Caricom Treaty be suspended and that Trinidad and Tobago enter into bilateral agreements with all our Caricom partners.

In the interim, the Council of Ministers, whenever it meets, should take appropriate action for the implementation of studies which would lead to:

- A regional Negative List;
- Currency alignment in the region;
- A review of the Rules of Origin.

## Government Report

Port-of-Spain TRINIDAD GUARDIAN in English 29 Jan 85 p 1

[Article by Clewon Raphael]

[Text]

TRINIDAD and Tobago continues to suffer severe trading imbalances with its Caricom partners despite assurances made at the Nassau Heads of Government conference last year that steps would be taken to correct this situation.

According to an official document, the position is so bad that goods from Trinidad and Tobago are no longer competitive in Jamaica and Barbados because of policies instituted in those two countries.

Trinidad and Tobago requested and obtained an adjournment of the 26th meeting of the Common Market Council of Ministers which was scheduled to open in Guyana tomorrow and has also decided to maintain its licensing regime for Caricom goods entering this country, an irritant to regional trade, according to other Caricom states.

It is understood, that Minister of Industry, Commerce and Consumer Affairs, Mr. Desmond Cartey, who has been leading Trinidad and Tobago's fight for an equitable distribution of trade in the region, recently recommended to Government that the licensing restrictions be maintained until the climate is changed.

At several regional meetings, Trinidad and Tobago took the opportunity to voice its objections to the trade restrictions being imposed by member states.

An update report on a country by country basis drawn up last week revealed that currency devaluations continued to be frequent in Jamaica, the present rate being approximately (J) \$4.75 to US \$1.

Trinidad and Tobago manufacturers have been wary of exporting to Jamaica because of the uncertainty resulting from the regular devaluations.

## HIGH RESALES

This uncertainty was also reflected in the attitude of the Jamaican importer who fixed high resale prices on their imports in order to protect themselves against any loss in value, in the event of further devaluation.

"Consequently Trinidad and Tobago's products are no longer competitive on the Jamaican market in spite of Trinidad and Tobago manufacturers having made attempts to export to Jamaica at 1983 prices," the report stated.

On Barbados, the situation remained the same as last year with respect to access to the Barbadian market.

That is, the existence of consumption taxes and other non-tariff barriers on products entering Barbados have rendered Trinidad and Tobago exports to that market highly uncompetitive vis a vis not only these items produced in Barbados, but extra-regional products as well.

The situation was compounded by an increase (from three per cent to five per cent) stamp duty on goods entering Barbados in April 1984.

Information subsequently received from local manufacturers (Trinidad and Tobago) indicated that effective October 1984, the duty was further increased to ten per cent, an inclusion in a package of financial measures designed to protect Barbados' balance of payments.

#### ASSURED MARKET

The document pointed out that one of the major problems affecting this country's exports to Barbados was the policy of the Barbados Government to maintain very low ceiling prices for goods entering Barbados.

The direct result is that Trinidad and Tobago manufactured goods are uncompetitive in the Barbados market with extra-regional imports.

"In comparison, the Barbados manufacturer enjoys an assured market in Trinidad and Tobago by virtue of the high ceiling prices existing in this country."

The report complained:

In spite of the Barbados Government having publicly given all assurance of its willingness to foster Caricom trade and being the first Caricom member state to take steps aimed at achieving the restoration and growth of intra-regional trade as agreed in Nassau in July 1984, there is no apparent willingness to dismantle its system of non-tariff barriers to Caricom products which is against both the

letter and spirit of the Treaty of Chaguaramas."

Because of the inability of the Guyanese Government to pay for imports, local manufacturers did not wish to sell Guyana in view of the uncertainty in receiving payments for their goods.

Dwelling on the OECS states, the document contended the main problem with these countries resulted from the virtual closure of the Guyana and Jamaican markets.

"The OECS countries have targeted Trinidad and Tobago as the major market for their export thrust. This is based on the relative ease of access to the Trinidad and Tobago market for Caricom products and the highly competitive position these products enjoy by virtue of their low manufacturing costs."

#### MODERATE CONTROL

Even the moderate control introduced by Trinidad and Tobago during 1983 was administered so liberally that every Caricom country had been able through most of the period to yet maintain significantly favourable balances of trade with Trinidad and Tobago, prior to 1984 on no-oil trade and thereafter on trade inclusive of oil.

The report continued:

"Trinidad and Tobago's generosity in administering the declared control is reflected in the value of goods for which licences were issued in 1983 (April to December) and 1984.

"In 1983 total licences issued to Caricom states valued \$576 million and in 1984 total value approximated \$464 million."

The measures decided upon at the Nassau meeting to correct the trade imbalances within Caricom, the document stressed, could only be described as short term solutions.

The report added:

"If all the measures relating to trade are implemented, member states are committed to fully respect the provisions of the Treaty. For Trinidad and Tobago this will of necessity involve the dismantling of the licensing of Caricom imports.

An official source said yesterday it was certain the Guyana meeting would have renewed calls to Trinidad and Tobago to remove its import licensing restrictions.

Port-of-Spain TRINIDAD GUARDIAN in English 4 Feb 85 p 1

[Text]

CARICOM SECRETARIAT is monitoring implementation of decisions taken during last July's Heads of Government Conference in Nassau, The Bahamas, particularly in the area of trade.

Three senior officials of the Secretariat, headed by Mr. Byron Blake, Director of Economics and Industry, left Trinidad yesterday, after paying what local officials described as a "surprise visit", only days after this country forced the postponement of the 26th Common Market Council of Ministers Meeting.

Officially, this Government requested postponement of the session, which was scheduled in Guyana, during the last week of January, on the grounds that the Budget preparation and debate had occupied the attention of officials.

Unofficially, it was learnt that Trinidad and Tobago was not keen on attending the meeting when the balance of trade was still severely against this country, despite assurances at the Nassau meeting that steps would have been taken to redress this imbalance.

Mr. Blake, who flew back to Guyana yesterday afternoon, said in an interview that since the Nassau accord, the Secretariat was following up on the decisions. One of them was that all Governments would implement measures by January 1, 1985, to correct the position with respect to trade.

He disagreed with the suggestion that the visit was a surprise. He added:

"There have been some improvement, three months before and after the meeting, but it is not possible to tell what the situation is from January 1 to now, because the figures are not yet available.

#### WHAT'S HAPPENING

"This is part of a trip throughout member-states. We want to find out what is happening, and discuss with the Ministries of Trade in the respective countries their perception of the situation.

"We will also find out what effect there is on trade, in keeping with the spirit of the decision."

Mr. Blake came in on Tuesday, but Mr. Herbert Hanley, Chief of Customs and Trade, and Mr. Stanley Odle, a retired permanent secretary from St. Kitts now with the Secretariat on the trade coordinating programme, arrived in Trinidad on Thursday.

Mr. Hanley and Mr. Odle left Trinidad yesterday morning. They met officials of the Ministry of Industry, Commerce and Consumer Affairs, and held a brief session with the Minister, Mr. Desmond Cartey.

The trio also ascertained from the countries the most convenient dates for reconvening the postponed meeting.

Local officials said it was "instructive" that the visit was paid so soon after the postponed meeting, and one added:

"They all want us to remove our licensing regime. But to talk plainly, this was instituted purely as a self-defence mechanism to protect our manufacturers from the high amount of imports from regional countries.

"While we were buying their goods, they were not showing the necessary reciprocity in taking our goods. Clearly, that situation could not be tolerated, and unless we see a definite sign that they are prepared to take an equitable amount of our goods into their countries, there is no way our licensing restriction can be lifted."

Ninety per cent of all trade in the region was being directed towards Trinidad and Tobago, the official added.

At several regional meetings, Trinidad and Tobago, led by Minister Cartey, took opportunity to voice strong objections to the trade restrictions being imposed by member states.

#### NOT EASY MATTER

Asked about Trinidad and Tobago's claim of being unfairly treated by its Caricom partners in terms of trade, Mr. Blake said there were different problems facing the various countries, and that the opening up of markets was not such a simple matter.

A report, dated last month, stated that Trinidad and Tobago's generosity in administering the declared control (instituted by this country) was reflected in the value of goods for which licences were issued in 1983 (April to December), and 1984.

The document, which was prepared in Port of Spain, said: "In 1983, total licences issued to Caricom states valued \$576 million, and in 1984 total value approximated \$461 million."

## Cartey's Displeasure

Port-of-Spain TRINIDAD GUARDIAN in English 7 Feb 85 p 1

[Article by Clevon Raphael]

[Text]

"TRINIDAD and Tobago's Industry and Commerce Minister Desmond Cartey yesterday angrily accused a senior official of the Caricom Secretariat of making misleading statements which would not help in solving the trade problems in the region.

Mr. Cartey was reacting to a story in Monday's "Trinidad Guardian" which quoted Mr. Byron Blake, Caricom's Director of Economics and Industry, as saying there were improvements in trading relations three months before and after the Heads of Government Conference in Nassau in July 1984.

Mr. Blake was in Port-of-Spain last week with two other officials from the Guyana-based Secretariat, on what he said was a monitoring exercise ascertaining the extent to which trading decisions reached at the Nassau meeting were being implemented.

His visit came days after Trinidad and Tobago, peeved at the continued imbalance in trade with its Caricom partners, forced the postponement of the 26th Council of Ministers Meeting due to be held in Guyana at the end of last month.

It was felt in Port-of-Spain that the meeting would have achieved nothing because, according to figures, Trinidad and Tobago still needed to enforce its licensing restrictions on Caricom goods entering this country.

### OUT OF PLACE

The meeting would have called on Trinidad and Tobago to ease the restrictions if not withdraw them entirely.

An incensed Minister Cartey said Mr. Blake had no authority to speak for Trinidad and Tobago. He declared:

"I find he is very much out of place. He comes to our (Ministry) office and we showed him the figures which we obtained from the Central Statistical Office and technical sources, then he goes and says trade improved.

"He is questioning our figures and making misleading and irrational

statements which will not help to solve trading problems in the region."

Minister Cartey, who has been repeatedly complaining about the lack of equitable reciprocity in the trade between Trinidad and Tobago and Caricom countries, argued that Mr. Blake apparently looked at some trade items.

This was wrong and that cognisance must be taken of all items without and within the Caricom Treaty - there must be no differentiation.

Mr. Cartey continued:

"One wonders if Mr. Blake was speaking on behalf of the Secretary General of Caricom.

"I don't know whether a Caricom official could ask to discuss figures and then go out and discuss those figures with others."

Minister Cartey stressed that the Secretariat must obtain relevant figures from all member-states before another Council meeting is held.

"What he did was to query our figures, and on what basis? They must go to all the countries and get the facts and under the present untenable situation we are not going to remove the licensing restriction."

Although Trinidad and Tobago was still interested in resolving this problem within the framework of Caricom, Minister Cartey revealed this country was meeting member states to "tell them as it is."

Dominica, he disclosed, was soon coming to Port of Spain and Antigua had asked for bilateral talks.

INTER-AMERICAN AFFAIRS

WINDWARD ISLAND BANANA INDUSTRY LOSES \$6.3 MILLION IN '84

Georgetown GUYANA CHRONICLE in English 3 Jan 85 p 5

[Text]

ROSTAU, Dominica: (AP)  
The Windward Island banana industry lost nearly 6.3 million US dollars during 1984 as the British pound sterling continued to decline, according to the Dominica Banana Marketing Corporation.

In a radio address in Roseau Sunday, Corporation Chairman, Vanoult Jr Charles urged an increase in production to offset the losses caused by the falling British currency.

He said the 32 000 tons of fruit Dominica exported to England in 1984 were not enough to make the industry economically viable. The corporation has targeted an export production of 40 000 tons for 1985, Charles said.

The Windward Islands sell nearly 100 per cent of their banana production on the British market. But income

has suffered during the past five years as the pound sterling declined on the world market.

The current rate of exchange is 3.15 Eastern Caribbean dollars to the pound, down from 6.03 less than five years ago.

The British Government has turned down a Windward Islands proposal that a stable 'banana pound' be created for its fruit purchases.

Charles said that in 1985 the corporation will launch an education campaign among farmers in an effort to increase production and improve the quality of Dominican bananas.

The corporation was established this year as one of the requirements for a \$1.7 million US agency for international development grant.

CSO: 3298/367

INTER-AMERICAN AFFAIRS

BRIEFS

DOMINICA-TRINIDAD TRADE--Roseau, Mon, (Cana)--Dominica is sending a trade mission to Trinidad and Tobago this weekend aimed at improving trading relations between the two member states of the Caribbean Community (Caricom) Trade Minister Charles Savarin said here today. Mr Savarin told Cana: "We are hoping that we will have two days of discussions with the Government Ministers responsible for trade in Caricom as well as the private sector, including the Chamber of Commerce." Mr Savarin will head the trade mission comprising members of both the private and public sectors. It will be in Port of Spain until February 11. "Basically what we are interested in doing is putting trade relations between Dominica and Trinidad on a plane in which all the difficulties are removed, where Dominican and Trinidad producers can sell freely," he pointed out. "We believe it is in the interest of Trinidad and Tobago for us to seek to examine whatever difficulties that may exist and to see what can be done to iron out and improve upon the relationships between the two countries," Mr Savarin said. Dominica, he said, hopes to interest the twin-island states which has introduced curbs on Caricom imports, in galvanised sheets, mineral water and soap among other products. Mr Savarin also disclosed that Dominica will shortly be mounting a similar trade mission to Guyana in March. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 5 Feb 85 p 4]

CSO: 3298/384



ARGENTINA

PERONIST YOUTH LEADERS ON DIFFERENCES, POLITICAL STRATEGY

Dante Gullo Seeks Unity

Buenos Aires SOMOS in Spanish 25 Jan 85 pp 20-21

[Interview with Unified Peronist Youth Leader Dante Gullo by Horacio Fernandez; date and place not given]

[Text] He was the last secretary general of the Peronist Youth (JP). A member of the "Tendency," he was arrested in April 1975, along with Dardo Cabo, on charges of possessing stolen weapons. Though his case was dismissed in 1977, he was kept in the custody of the PE until 1983. In his conversation with SOMOS, Dante Gullo, 38 (no longer that young), spoke about Unified Peronist Youth, which is perhaps not that unified anymore.

[Question] Does Unified Peronist Youth have anything to do with the party's leadership?

[Answer] Nothing. We decided a long time ago not to recognize the superior command and not to abide by the directives of what used to be the National Council.

[Question] What is your position on what happened in the Odeon and on what will take place in Rio Hondo?

[Answer] The split in the upper echelon of the party merely involves policy details that do not get to the heart of the matter. I think that we have to get to the heart of the matter once and for all and see how we can begin to overcome this crisis. If the party's members, if Peronist men and women do not determine the future leadership with their votes, then any leadership body that emerges is going to be feeble, weak and in one way or another is going to wear out. Why did Odeon fail? Because it applied obsolete methods. A major element is absent here but is putting on pressure nonetheless: the rank and file of the movement. If it is not given a voice in Rio Hondo, the same thing is going to happen.



[Question] It seems as though the upper echelons in your party are permanently destined to feud. One would say that the Peronist Youth are no exception. The Cordoba business seems to confirm it: You're refusing to go.

[Answer] The main drawback that I see in this and my criticism of this approach has to do with methodology. The problem here is that with Cordoba they're playing games with party machinery and bringing about a superstructural development that is directly related to what 2 February is going to mean in Rio Hondo.

[Question] I don't understand. Aren't the delegates for that assembly going to be elected?

[Answer] The ones that are going to attend that congress are not going to be representative. District by district meetings are under way in JP in search of just such representation, but some provinces will not be holding their plenary meetings until March or April.

[Question] Patricia Bullrich does not share your views. She is in favor of the meeting in the Sussex Hotel. Has Unified Peronist Youth splintered?

[Answer] The failure to agree on the meeting that some circles have called in Cordoba does not mean anything special. Quite to the contrary, our proposals are for unity.

[Question] Are there major differences between the JP factions?

[Answer] There are political and methodological differences. I think that the big challenge facing Peronist Youth right now is to respond independently and responsibly to the changes in the movement and not to backtrack 10 or 20 years.

[Question] What will happen if it turns back?

[Answer] If we turn back, we will once again become an appendage of certain factions or certain national or union figures. If we turn back the clock 10 years, JP could wind up attached to apparatuses or methodologies that no longer have a place.

[Question] What are you working for?

[Answer] I am for a policy of unification and for helping to determine what stands best represent the views of the masses. I want Peronist Youth to stop being the appendage that bangs the bass drum or that trumps up rallies for congresses that are held behind the backs of the members. I want young people to begin bringing about real change in this movement.

## Bullrich Rejects Old Methods

Buenos Aires SOMOS in Spanish 25 Jan 85 p 21

[Interview with Patricia Bullrich, adviser to the Peronist councilmen in the Federal Capital, by Peter C. Bate; date and place not given]

[Text] A distant cousin of best-selling writer Silvina, Patricia Bullrich, an adviser to the group of Peronist councilmen in the Federal Capital, has become one of the main leaders of Peronist Youth at the age of 27. In this talk with SOMOS she gives her interpretation of the problems in Peronism's "fourth branch."

[Question] What really differentiates your people from the youth that Dante Gullo represents?

[Answer] I think that it is partly different ways of looking at the country's past and present. Also, we are the young people of this decade and we feel that we should have representatives who have lived through what our generation has and who are not mired in disputes from the past.

[Question] Is Gullo stuck in the past?

[Answer] He represents youth from a different era. He analyzes the situation in Argentina from a somewhat static perspective and perhaps fails to see that this is not the same country as 10 years ago. We feel that the revolution must be envisaged on the basis of current conditions. I could say the same about current politics. In our view, the gravity of the crisis tells us that the most important thing right now is to forge an alliance between young people and the labor movement. This also implies a different approach to opposing the Radical administration. We feel that although we have to strengthen democracy, we do not have to pursue a policy of "not making waves" either, which is the approach that Gullo seems to be taking. Oddly enough, this approach is more similar to what Radical youth are doing than to what we are proposing, and it certainly does not help achieve solutions; it merely helps the government to cope with the crisis.

[Question] How then do you interpret the split in JP?

[Answer] "The separation of the year," as people say...We feel that he made a mistake and that a good way for him to admit his mistake would be to come to the next JP meeting in Cordoba with us.

[Question] What do you think of Gullo as a leader?

[Answer] I think that he is a great colleague who has to rise to the occasion now to fight in the movement's political branch. I think that he can accomplish great things in conjunction with our youth. Personally, however, he has already done his job among Peronist Youth; he can now make a major contribution to the intermediate generation in the political branch through work with the rank and file.

[Question] What do you seek to accomplish at the Cordoba gathering?

[Answer] Our primary goal is for Peronist Youth to get together to discuss its strategic program. This is very important because it entails responsibility on the part of JP and involves certain changes that we want to make in Peronism's present bylaws. We feel that Peronism cannot solve its problems under its current bylaws, which provide for a superstructural way of dealing with them. Our problems cannot be resolved by convincing 20, 40 or 100 delegates to a congress.

[Question] But Gullo's criticism of your strategy is precisely that you want to present an accomplished fact and then negotiate in Rio Hondo with the rest of the leadership, that this is a superstructural arrangement.

[Answer] If that's what he believes, then he's in for a surprise. We plan to call for a direct vote and elections right away in all districts when we go to Rio Hondo. And when we're in Cordoba, Gullo is going to be in Mar del Plata at a Buenos Aires provincial meeting that is not the youth meeting and that is also going to give mandates to the congress delegates.

8743

CSO: 3348/350

ARGENTINA

DAILY FOCUSES ON DISPUTES BETWEEN UCR MODERATES, EXTREMISTS

Bahia Blanca LA NUEVA PROVINCIA in Spanish 17 Jan 85 p 4

[Text] When the Alfonsin faction, grouped around Renovation and Change, literally crushed National Line, led at the time by Fernando de la Rúa, who is a senator today, at the Radical Party's 1983 convention, more than a few observers predicted a truly sweeping ideological revolution within the party. The various parties and the outgoing military regime had different concerns at that time, of course, and so the issue of whether or not there was a new Radicalism was pushed somewhat into the background.

Subsequently, with all of its factions united, the Radical Party, under the leadership of Dr Raul Alfonsin, defeated Peronism, thus shattering the myth of its invincibility of the polls. The time was not right then either for bringing up the ideological issue. The triumph was like a cloak of Nessus. Euphoria glossed over the differences of opinion, and the Radical Party prepared to take office, backed by a consensus rarely seen before. As time went by, however, Radicalism felt for the first time in many years what it means to have a monopoly on political decision-making. The differences of opinion that had been kept in the background made themselves felt in the party.

For the time being there has been a shift in alliances. The members of National Line, who had been recruited from among the Balbin faction and who had headed up the opposition to Dr Alfonsin at the convention, have now joined him and the people who call themselves the veterans within Renovation and Change. For its part, the Coordinator, which brings together the party's extremists and has shown major rallying power and a striking ability to fill key posts in the administration, is at odds with the veterans in Renovation and Change and the former Balbin faction.

In short, the Renovation and Change majority is starting to split in two, while National Line draws closer to the president and strikes up an alliance with the representatives of the moderates in Renovation and Change. The obvious question is: Why? There are two possible

answers. There are those who feel that the internal squabbling is merely a consequence of democracy, which more than any other party in Argentina the Radicals have respected and honored. This is also the administration's version, interested as it is in putting forth the image of a united party. According to this explanation, Luis "Changui" Caceres, Jesus Rodriguez, Federico Storani and Marcelo Stubrin have ideas that are different from Juan Manuel Casella's or Fernando de la Rúa's (to mention just a few names), but such differences are not only normal but advantageous as well.

Others are not satisfied with the argument that democratic parties begin being democratic in their internal workings and, thus, have factions vying for leadership. Their view is not so rosy. They feel that the Coordinator's virulent criticism of Dr Garcia Vazquez or Deputy Caceres's assertion that there are two Radicalisms that have nothing to do with each other, suggests two opposing, incompatible world views that could well wind up splintering the Radical Party.

For the time being, because of his popularity, his authority within Radicalism and his charisma, Alfonsín is holding things together. As this explanation has it, the president of the republic has struck a difficult balance between the feuding factions, preventing either from growing too strong, to the detriment of the other. How long this shaky balance can last is a matter of opinion.

If the first explanation is right, then Radicalism has nothing to fear, because debate is unquestionably legitimate, serving to invigorate the party and prevent it from fossilizing. In contrast, if the second hypothesis is correct and if its forecasts are borne out, then Radicalism will be subjected to the vicissitudes of a battle between the extremists in the Coordinating Board and the moderates in National Line and Renovation and Change.

8743

CSO: 3348/350

ARGENTINA

DISSIDENT PERONISTS, MID DISCUSS 'ALLIANCE'

PY171955 Buenos Aires BUENOS AIRES HERALD in English 17 Feb 85 p 1

[Text] (NA-DYN)--Dissident Peronists and the Movement for Integration and Development (MID) of former President Arturo Frondizi yesterday agreed to set up an electoral front which other parties will be invited to join with a view to next November's legislative elections.

The announcement was made jointly by Frondizi and Senator Oraldo Britos, chairman of the Justicialist national council elected by the dissident Peronists at their congress in Rio Hondo early this month, after a lengthy meeting between the two at Frondizi's home.

They said a six-man committee would be set up next week to draw up a document analyzing the political and socio-economic situation of the country and which will be presented to President Raul Alfonsin.

Frondizi said he would report to his party on the agreement at a meeting next week at which three MID leaders would be appointed to the committee.

It will be the third time Frondizi, formerly violently opposed to Peronism, has joined forces with the Peronists since he broke with the Radical Party in 1956 and set up his own Radical Intransigent Party (UCRI).

It was the support of the Peronists which swept Frondizi and the UCRI into power in 1958 when the Peronists were banned from running on their own ticket.

Frondizi was later expelled from the UCRI--now the Intransigent Party of Dr Oscar Alende--and set up MID.

MID joined the Peronist-led Justicialist Liberation Front (FREJULI) in 1972 which elected Dr Hector Campora to the presidency the following year.

It was not immediately known how the agreement would affect the situation in Buenos Aires Province where MID leader Carlos Zaffore recently reached agreement on an electoral front with Justicialist provincial leader Herminio Iglesias, a member of the rival Peronist council elected at the Odeon theatre in December.

Britos said all the parties which joined FREJULI in 1972, and others which supported the late Juan Peron's candidacy when he was elected to a third presidential term in September 1973 would be invited to join the new electoral front.

At yesterday's meeting Frondizi read the founding document of FREJULI which he said summarized the "basic principles of rapprochement between the two parties and provides the foundations for a new alliance."

The FREJULI document called for "authentic peace and unity among all Argentines" and expressed a commitment to find adequate solutions to ensure national liberation.

Britos said the dissidents, who call themselves the renewal faction, will also appoint three members to the two-party committee at a meeting of the Rio Hondo council on Tuesday.

The council will also set up a Justicialist economic council to draft proposed solutions to the socio-economic crisis which will be presented to Alfonsin at an audience they have requested from the president next week, Britos added.

Speaking about the situation in the split party, Britos said the "intervention" of the party in Buenos Aires Province was still on and he knew nothing about alleged talks aimed at finding another solution between Iglesias and Senator Luis Salim, appointed party trustee in the province by the Rio Hondo council.

The council meeting on Tuesday will also appoint 5 members chosen from a list of 20 candidates who will cooperate with Salim in the takeover, he added.

Britos said Santa Fe Governor Jose Maria Vernet, who heads the Odeon theatre council "doesn't represent anybody" a reference to alleged statements by Vernet that he was willing to step down if it would help in calling a third congress to reunite the party.

The San Luis senator also announced the Rio Hondo council would be meeting next week with leaders of the General Labour Confederation (CGT) and said he hoped Saul Ubaldini, one of the four CGT secretaries-general, would be present.

CSO: 3300/17

ARGENTINA

BRIEFS

WARRANT FOR POLITICAL LEADER--Buenos Aires, 18 Feb (TELAM)--Investigative Judge Jose Mendez Villafane has issued a warrant for preventive custody of Federal Party President Francisco Manrique on the grounds that there is enough evidence of his guilt in the lawsuit which former Buenos Aires police chief, General Ramon Camps, retired, has filed against him. In early June 1983, speaking in the course of a radio interview, Manrique used a grossly offensive term in reference to Camps when he was told that the latter had mentioned him in a book as being connected with the Graiver Group [financiers who have been accused of laundering Montoneros' funds]. [Text] [PY182130 Buenos Aires TELAM in Spanish 2039 GMT 18 Feb 85]

COMMUNIST ATTACKED IN FORMOSA--Formosa (NA)--Communist Party members in this province are being attacked and prevented from carrying out a campaign to teach illiterate children to read and write. Members of the Communist General San Martin Brigade were staging their inaugural educational campaign when they were attacked by a group of men who alighted from a station wagon. The incident was reported to the provincial police and government authorities. [Text] [PY172000 Buenos Aires BUENOS AIRES HERALD in English 17 Feb 85 p 13]

CHANGE OF AMBASSADOR DENIED--Buenos Aires, 20 Feb (TELAM)--The Presidential Secretariat General today stated that the rumors regarding a possible replacement of Argentine Ambassador in Washington Lucio Garcia del Solar are totally groundless. This information was disseminated through a communique released at 1845 today at the press hall of Government House. [Text] [PY210020 Buenos Aires TELAM in Spanish 2201 GMT 20 Feb 85]

IA-63 PROGRAM ON SCHEDULE--The Fabrica Militar de Aviones reported that the first prototype of IA-63 Pampa keeps flying very actively while the building of the other two aircraft that also participate in the test program continues according to schedule. They are due to leave assembly line next March and August. Flight tests will cover 950 flying hours that will be distributed as follows: 360 h will be flown with aircraft No 1; 300 h with No 2 and 290 h with No 3. General flying qualities, on board systems and spinning maneuvers will be checked with the first aircraft; structural vibration tests and the verification of performances to prepare the flight



manual will be carried out with the second one and the setting of the firing system will be done with the third one. On the other hand, the manufacture of parts destined to the static airframe tests has begun. These tests will also begin this year and foresee the simulation of 40 000 flight hours through which a useful life of 10 000 h will be guaranteed. When this issue appears the birds-hitting-windshield tests will be in action. The FMA has placed emphasis on the analysis of maintenance and reliability conditions for which the FMEA (Failure Mode and Effects Analysis) system and the modern MSG-3 (Maintenance Steering Group-3) methodology were adopted. Thanks to them, the reduction of operation expenses without affecting safety is expected. [Text] [Buenos Aires AEROESPACIO in English Jan-Feb 85 p 6]

CSO: 3300/16

BERMUDA

## UBP, PLP IN THROES OF POLITICAL MANEUVERING, ACTIVITY

### UBP Internal Challenges

Hamilton THE ROYAL GAZETTE in English 11 Jan 85 p 1

[Text]

A battle within the United Bermuda Party is expected to break out next week when Senator Llewellyn Peniston challenges the two long-time UBP MPs in Southampton West.

The contest is expected to be waged at about the same time Premier the Hon. John Swan will decide whether to call a snap election. He is waiting for the results of a UBP opinion poll.

The Progressive Labour Party has also begun its selection process in preparation for a general election, even though the UBP does not have to call one for three years.

Sen. Peniston yesterday refused to comment on reports that he was already canvassing the West End parish, but it is expected he will seek to have a primary called next week.

He will be challenging backbenchers Mr. Harry Viera and the Hon. Ralph Marshall, both of whom have represented the safe UBP constituency since 1968.

Mr. Viera and Mr. Marshall are part of the small rebel group on the Government side of the

House of Assembly. It is believed Sen. Peniston has the backing of Mr. Swan who would like to see some of the dissidents disappear.

Sen. Peniston can force a primary only if he obtains sufficient support from the 112 registered members of Southampton West branch of the UBP.

It is understood that 40 members have already pledged their support for Sen. Peniston, and that he hopes to split the remaining votes.

Mr. Viera yesterday confirmed he had heard rumours concerning Sen. Peniston calling for a primary in Southampton West.

"He has a right to do what he wants," said Mr. Viera. "It is for the voters of Southampton West to decide the result, but he is not keeping me up at night. He's a nice enough guy."

Speculation that Mr. Swan would call an election early this year began last December, but as yet he has not made a decision.

Such an election would be held before the Opposition Party recovers from the disarray caused by an open

leadership battle begun last year, and which resulted in the expulsion of four MPs from the party.

Mr. Swan will make his decision only after the results are in from the UBP opinion poll being carried out this week. The telephone interview which is seeking responses from 700 people appears geared specifically to an early election.

Among other questions, the survey interviewers are asking if Bermudians felt the UBP would be capitalising on the PLP problems if an early election was called.

Respondents are also being asked if they would vote for the UBP, PLP or a third party if one was formed. And they are being asked to grade Mr. Swan's performance as Premier.

If Mr. Swan calls an election, he would hope to increase the UBP presence in Parliament by at least three or four, and possibly even raise the tally to 31 UBP MPs.

A victory of that magnitude would virtually guarantee the UBP continued stewardship of the country for the remainder of this decade. And the party could

justifiably argue that barring a major catastrophe, the UBP could remain in power until the turn of the century.

It is a victory of such proportions that is proving so tempting for Mr. Swan. For he is concerned that Bermuda needs at this time to show the rest of the world that it has a stable conservative Government.

This stability, sources argue, would be attractive to both tourists and international business alike, and would come at a time when Bermuda's economy is sagging.

### Challenge to Simmons

Hamilton THE ROYAL GAZETTE in English 10 Jan 85 p 1

[Text]

Shadow Education Minister Mr. Ottiwell Simmons MP is being challenged for his safe Progressive Labour Party seat by two other candidates.

The President of the Bermuda Industrial Union is one of three people seeking selection to fight the Pembroke East constituency in the next general election.

The party's Pembroke Branch has been told that party deputy chairman, self-styled "Comrade" Richard Lynch and former MP Mr. Eugene Blakeney are both seeking a chance to fight the seats.

Pembroke East MP Mr. Austin Thomas has already been expelled from the party along with five other members after criticising the

leadership of Mrs. Lois Browne Evans.

A re-selection battle was expected to start during a meeting of the Pembroke branch on Tuesday night, but only 13 members turned up.

Shadow Minister of Works and Housing Dr. Barbara Ball and Shadow Tourism Minister Mr. Stanley Morton were also expected to be challenged for their Pembroke East Central seats.

But the closest they have come to a fight is an application by Party Organiser Mr. Roosevelt Brown to stand for any of the seats in Pembroke.

Last night Mr. Blakeney, who during the last PLP conference moved a motion

calling for the expulsion of the dissidents, was reluctant to discuss his nomination.

"I don't have any comment," he said. "Anything to do with the party would come through our public relations officer or the chairman of the party."

Party chairman Mr. Alex Scott said the Pembroke Branch was in the very early stages of selecting its candidates to fight the next election.

He said the Central Committee had contacted all MPs to see who would be prepared to sit again for the PLP and had also asked branches to consider suitable candidates.

"No final decision has been taken in Pembroke," he said.

## More From PLP Dissidents

Hamilton THE ROYAL GAZETTE in English 11 Jan 85 pp 1, 2

[Text]

Expelled Progressive Labour Party MPs last night launched another strong attack on the Opposition leader and called for changes to the Party.

The four Independent MPs ruled out launching a third political party and vowed to try to return to the ranks of a revitalised PLP.

But they warned the PLP would lose seats in a snap general election and they called for supporters to help them alter the way the PLP was run.

Sacked PLP member Mr. Gilbert Darrell MP called for a new-look Opposition Party at the first of a series of public meetings to try to whip up support for the return of the six.

He accused the party of bungling its finances and wasting the resource of its supporters.

He said many people were thirsty for competent, honest and conscientious leadership but he complained the PLP was now without programmes or direction, although

the country faced serious economic and social problems.

"A rejuvenated Progressive Labour Party is the only organisation capable of understanding the seriousness of these problems, and a revitalised PLP is the only organisation capable of finding solutions based on fair play and common sense.

"I cannot see the present UBP Government addressing these problems seriously and properly."

He told almost 200 people at the public meeting at Francis Patton School in Bailey's Bay that he was proud to have been a PLP MP for the parish for the last nine years.

But sitting at the rear of hall and discreetly drawing up a list of names of people at the meeting was PLP public relations officer Senator David Allen as he sat beside party chairman Mr. Alex Scott.

Sen. Allen said: "I'm here as an observer. I get to all sorts of meetings including some run by the UBP." He insisted he was noting down names just out of curiosity.

Mr Darrell told the audience: "Tonight, I come in a slightly different capacity because I have been expelled as a member of the Progressive Labour Party.

"However, I am still your Member of Parliament, and it is my sincere hope that you will want me to continue as your Parliamentary representative.

"I can assure you that I have not wavered one inch from my firm convictions in the rightness of the philosophy for which the Progressive Labour Party and its supporters have always stood.

"And it is my intention that I will, once again, be an official member of our party."

He said many people did not know the full details of the dispute that led to the split within the Party which resulted in six dissidents being expelled.

"Quite some time ago it was decided by certain influential members of the Party's hierarchy that two Parliamentary members had to be removed from the PLP.

"Recent events have shown that this goal was kept in sight so that no opportunity would be lost to carry out this intention."

He linked a condemnation by MP Mr Austin Thomas of an attack on a drugs squad policeman and an interview of party leaders Mrs Lois Browne Evans by The Royal Gazette.

He said disciplinary action was started because of these two events and involved six people who had voiced, behind the scenes, their dissatisfaction about a lack of proper programmes.

"We had made it clear that we needed a party which was willing and prepared to become the Government.

"Instead of stopping to consider that our criticisms were intended to be constructive and beneficial to the Party, the leadership hierarchy seized what they thought to be a golden opportunity to rid themselves of their critics."

But he said the six rebels had agreed to stick together.

"We were not prepared to compromise our right to speak freely on the need for change. We agreed not to abandon the party even if we were expelled.

"We agreed to work to make the party a viable, proud and constructive organisation - an organisation this country would accept into Government.

"We hope and aim to renew the Party - to reinforce and re-establish the Party's philosophies and goals. Our first task will be to unite the party into one strong force.

"It is essential that this be done. There is a large body of persons who feel that they are not being represented and, there is an even larger group of people who are thirsty for competent, honest and conscientious leadership.

"We have no conflict with the Party's philosophies and goals. We agree fully with the Party platforms as they have been expressed at each general election.

"However, we cannot ascribe to the manner in which the party leadership has neglected certain responsibilities.

"A party with no programmes and no direction has no chance, whatsoever, of ever winning the Government."

He said there was a need for leaders who were receptive to constructive advice and criticism, and who would respect different views and outlooks.

He said their next goal was to see the resources of the Party managed efficiently.

"The party has had financial resources available to it, but these have been abused so often because of the lack of financial planning and budgeting."

He added the Party had failed to harness the support of people because of petty personality conflicts, which were interpreted as threats to the authority of the leaders.

But he said that the Supporters for Change were wanting members to indicate the various activities in which they wanted to become involved.

"If we, as a party, become imbued with a strong sense of self-reliance, then the whole community will become imbued with the same thing. We will depend on each other and we will respect the expertise of fellow Bermudians.

"We will depend less and less on people from other countries, and we will become more and more responsible for ourselves."

He said Government's lack of confidence in Bermudians was clearly shown by the number of top posts filled by foreigners - such as the Director of Tourism or the Premier's ex-aide.

"This demonstrates the lack of self-confidence in the community. Despite our economic development we are in a bind because we are relying on employment policies which make us vulnerable.

"We need to demonstrate how our economic development influences our immigration policies and how our present immigration policies can adversely effect our social and economic welfare."

Mr. Austin Thomas said during a question and answer session: "Our concern is to

try to solve what caused the problem in the first place.

"The problem was caused by hard working, dedicated people, in large numbers getting fed up with what was happening to the Party and backing off. When they went into the wings some other people came into the vacuum and did what happened to us.

"What Supporters for Change is about is to bring people back to the Party. We want all members of the PLP who have been disillusioned and who are sick and tired

and fed up to join with us."

He said they still had a right to appeal to a special delegates conference against the expulsion decision but first wanted to see their supporters involved in the branches.

MP Mr. Walter Brangman said he saw no problems with the Independent MPs working with the official PLP in the House of Assembly.

"The position we are in now is a no-win situation, but we won't sell out our political integrity."

### Support for PLP Dissidents

Hamilton THE ROYAL GAZETTE in English 18 Jan 85 p 2

[Text] A total of 60 people have now registered as Progressive Labour Party Supporters For Change.

Spokesman for the group, Mrs Kathleen Bell said yesterday that 60 people had filled in registration forms following a meeting in Hamilton Parish last week.

"People from all the parishes have offered their expertise and encouragement to the PLP Supporters For Change."

She said that this would give the group political workers in all parts of the Island.

Mrs Bell also estimated that 200 people had attended the last meeting and that many regulars at previous meetings had not yet signed up.

She anticipated more registrations at the next meeting on Thursday at Purvis School when MP Mr Walter Brangman will be the keynote speaker.

His theme will be Bermudian citizenship and Bermudians' responsibility in the Government of the Country.

He is expected to call for Bermudian acceptance of responsibility for the economy, and the social problems facing the Country.

### Reselection of PLP MP's

Hamilton THE ROYAL GAZETTE in English 17 Jan 85 p 1

[Text] Most sitting Progressive Labour MPs are likely to face a battle to represent the Party at the next election.

The PLP candidates committee will meet before the end of the month and, in due course, will consider Party branch nominations. The committee is likely to continue the process started last summer, of "revitalising" the PLP.

Party chairman Mr Alex Scott, who will be on the committee, said: "I must admit that the PLP is in a position of reviewing all its options and the process of revitalisation may reach as far as some of the sitting MPs."

Although there are four vacancies in strong PLP areas following the expulsion of the dissidents, there are plenty more candidates looking for constituencies. Only PLP leader Mrs Lois Browne Evans and her running mate Mr Frederick Wade seem certain of smooth passage to re-selection.

Candidate selection will be influenced by at least two factors: branch dissatisfaction with MPs perceived as having failed to support the dissidents and leadership dissatisfaction with those who are thought to have been too sympathetic towards the outcasts or their views.

All MPs must seek nomination from their branches like any other candidate and once this is achieved their suitability will be scrutinised by the candidates committee.

That 10-man body includes Mrs Lois Browne Evans and a cross-section of members.

The committee is able to choose candidates other than the branches' first choices and while it would be unusual if it picked someone not among the nominees it would not be constitutionally impossible.

The choice then goes to the central committee for approval.

Branch selection and re-selection started last summer when Mr Scott and other members began a series of interviews with sitting PLP MPs to examine their commitment to the job and the Party. But so far no candidate has been formally adopted.

A quarterly meeting of branch representatives was held on Monday night and the selection of candidates was discussed. The Party will obviously want new candidates for the four seats occupied by the men expelled from the PLP last December but Mr Scott said he anticipated keen competition for all constituencies.

In Sandys North now independent MP Lionel Simmons is bound to be challenged by an official PLP candidate, possibly Mr Ira Philip. But what of Deputy Opposition Leader Mr Eugene Cox? He has come under plenty of fire for not speaking up in favour of the dissidents but might have also failed to persuade Party leaders of his commitment.

In Sandys South Mr Walter Lister might come under a different kind of pressure. He, like Mr Stan Morton in Pembroke East Central and Mr Reginald Burrows in Southampton East, has publicly criticised the leadership's handling of the dissidents issue.

Mr Walter Roberts has stuck by the leadership but is expected to face criticism from his branch for not backing the dissidents.

Mr Eugene Blakeney, Mr Roosevelt Brown and deputy Party chairman (Comrade) Richard Lynch and Mr Donald Tuzo have all been linked with Pembroke seats.

Mr Scott himself could run and Senator Jennifer Smith is a likely candidate following her close support of the leadership.

There are two views in the PLP camp about the possibility of an early election. One group believes the Party will be better equipped to fight the election after perhaps five years of "revitalising" forced by an early election defeat.

The alternative view suggests that the PLP could benefit from a snap election, even garnering more support as the electorate votes for a stronger Opposition.

CSO: 3298/386



BERMUDA

# TAX HIKE EXPECTED IN LIGHT OF ANOTHER DEFICIT BUDGET YEAR

Hamilton THE ROYAL GAZETTE in English 23 Jan 85 pp 1, 2

[Text]

Government is putting the final touches to its proposed 1985-6 budget determined to reverse the trend of the past two years when it incurred two consecutive deficits.

The Hon. Clarence James, Minister of Finance, refused to discuss budget proposals in detail yesterday. But he confirmed that taxes would be up in an attempt to balance the record \$190 million-plus budget.

It will be Dr. James' first budget since taking over the portfolio from former Premier and Finance Minister the Hon. Sir David Gibbons, now chairman of the Economic Council.

Dr. James hinted that the current Government budget deficit could reach \$12 million by fiscal year-end on March 31, and wipe out Government's surplus which has dwindled from \$21 million just two years ago.

If that happens, Government would be left with almost nothing in its coffers to absorb a third consecutive deficit.

And it is the fear that Government may be forced to borrow money to finance such a deficit that has made Dr. James and Premier the Hon. John Swan so determined to balance the books in 1985-6.

"I didn't produce the scenario. I found it when I came here," said Dr. James. "A deficit can only be avoided by increased taxes or drastic cutbacks in expenditures."

As far back as September of last year Mr. Swan began sending out signals that he wanted a balanced budget for 1985-6. The refrain was soon picked up by Dr. James who ordered a cutback in spending late last year because expenditures were eight per cent above projections.

The cost-cutting move is understood to have come too late for a balanced budget to be achieved this year. But that will change when Government goes to Parliament next month with its 1985-6 proposals.

While Dr. James has refused to go into details of the budget which was to have gone to the printers this week, he said that the only way the budget could be brought into balance was through increased taxes and reduced Government spending, particularly in capital projects.

"There will be a modest capital development plan, but it will not be like the grandiose plans of this year, which included a national stadium and that sort of stuff," said Dr. James yesterday.

Most likely targets for tax increases are luxury items such as cigarettes, gasoline, liquor, etc. But it is unlikely Government will implement tax hikes affecting tourism, the international business industry, and areas that would fuel local inflation.

"I've said it before - there will be tax increases," said Dr. James.

"We have to prevent a sizeable deficit because we have no real surplus upon which to draw funds. I was left with a \$12 million surplus, which I hope will absorb this year's deficit.

"I am determined that Government will not get into another deficit, at least not in the proportions of 1983-4, and 1984-5."

Government last posted a surplus in the year 1982-3. Last year it started with a \$21 million surplus, but that dropped to \$12 million because of a \$9 million deficit during the year.

This year's deficit would be absorbed by the \$12 million surplus remaining in Government's consolidated account. But any further deficit would have to be financed through borrowing.

Dr. James said it was not known yet what the final figures would be.

"Everybody is looking towards the budget as if it can do the trick and solve the Island's economic troubles," said Dr. James. "It can't because the most important factors affecting Bermuda are beyond my control."

Dr. James has gone on record and said that at worst 1985 could be a depressed year for the Island. And the best Bermuda could expect, he said, is for business to remain static.

"Ironically, the things that are most important to the economy - the strength of the US dollar and local inflation - are beyond my control."

CSO: 3298/387

BERMUDA

# HOSPITAL WORKERS' WAGE INCREASE BODES ILL FOR ECONOMY

Hamilton THE ROYAL GAZETTE in English 26 Jan 85 pp 1, 5

[Text]

Hospital workers have won a pay rise of more than eight percent, it was revealed yesterday.

The news comes just as details of another big settlement, for Government blue collar workers, were beginning to leak out.

And leading figures in finance and industry immediately warned of bad days ahead for the economy.

Health bosses confirmed hospital charges would rise by eight percent this year as a direct consequence of the bigger-than-expected new wage bill.

They said the rises would add approximately \$1 million to the payroll over the next two years.

The pay rise means about \$25 a week extra for 300 nursing assistants, ambulance drivers and other staff at King Edward VII Memorial and St. Brendan's Hospitals.

It took more than six months of negotiations between the Bermuda Hospitals Board and the BIU before agreement was reached on Monday, January 14.

Details of the agreement, which also includes a shorter working week, were kept under wraps until yesterday's formal signing of the agreement by the two negotiating teams.

The two-year agreement provides for an 8.1 percent rise in the first year, followed by 5.5 percent in the second year. Rises will be backdated until October 1, the date when the old agreement expired.

The new minimum wage will be \$305.

Working hours will fall from 40 to 38<sup>1</sup>/<sub>4</sub> in the first year and to 37<sup>1</sup>/<sub>2</sub> in the second year.

Government has kept close tabs on the talks, and the hospital negotiating body was under pressure to keep the rise down because of the obvious dangers of setting a precedent.

It was all smiles as the agreement was signed, but Government and industry were less than pleased. Government economic adviser Mr. Graeme Dargie stressed only this month that settlements should stay below five percent.

Government blue collar workers may have been influenced in their talks by rumours of the size of the hospital settlement.

Details of their agreement are still secret, but they're thought to have won a rise of around seven percent.

With 3,200 hotel employees due to begin a new contract next month and 1,000 civil servants looking for a rise in September, the last thing Government Finance chiefs wanted now was a major settlement over the five percent inflation rate.

The union, which helped win an average 7.9 percent pay increase in all sectors last year, obviously had other ideas.

The news was greeted with dismay by Chamber of Commerce chief Mr. Leonard Gibbons, who feared there would be a leapfrog effect with other sectors demanding similar big rises.

"Any wage increase above inflation is only adding to our locally generated inflation. We are concerned about any increase, of course, although it is difficult to say for sure if it will set a precedent."

Bank of Bermuda general manager Mr. Donald Lines said: "It seems very much on the high side. It is going to have a negative effect on the ability of Bermuda to compete. It is probably unjustified in terms of inflation. Rent is not going up. Foods are flat. Profits are down, and our costs are getting more and more, and it is making it more difficult for us to compete. It definitely sounds very negative for our economy, but I'll have to look at all the details."

Hospitals Board executive director Mr. Geoffrey Scaddan said: "It was a long, drawn-out affair, but we have an agreement I think both sides can work with very effectively."

BIU president Mr. Ottiwell Simmons said the workers were getting their just reward for their dedication and devotion to duty.

CSO: 3298/387

BERMUDA

MEDIA ACCUSED OF RACISM; BROADCASTING CHANGES SOUGHT

BIU Leader's Charge

Hamilton THE ROYAL GAZETTE in English 9 Jan 85 p 2

[Text]

Bermuda Industrial Union President Mr. Ottiwell Simmons MP yesterday accused the Bermuda Broadcasting Company and *The Royal Gazette* of being biased towards the United Bermuda Party.

Mr. Simmons' attack came in the wake of the rejection of the BIU's application for a broadcasting licence by Technology Minister the Hon. John Stubbs.

Mr. Simmons said the media is influenced by UBP cabinet members who hold seats on boards of directors and have little empathy for the workers.

"What we are seeking on behalf of the workers is equal time, opportunities and privileges," he said. "Our proposal is a serious one and it is not to be taken lightly."

He said when the Union met with Dr. Stubbs last year their emphasis was on filling the void left by the BBC when it stopped providing educational, cultural and children's programming.

The BIU's application for a radio and television licence was rejected at the end of October by Dr. Stubbs who said if political parties or trade unions could broadcast it would "diminish the purity of the Fourth Estate".

Dr. Stubbs said: "In broadcasting, I think the equity should be fairly well distributed. I don't think one can countenance giving a political party or a trade union a broadcasting licence. That would diminish the purity of the Fourth Estate."

Mr. Simmons said Dr. Stubbs' comments could be contended with because the local media, particularly *The Royal Gazette* and the Bermuda Broadcasting Company, were already influenced by the United Bermuda Party.

He said: "The UBP and the Government do not own the stations but any number of cabinet members and a former Premier have substantial holdings in the BBC and *The Royal Gazette*."

"I have no doubt that with these holdings they have positions on the boards of directors and influence," he said.

"I would say the UBP, while not an owner, is well represented in the media and has influence in its operations," he said. "The media has been accused of being messengers for Government and there is some validity in their argument."

Mr. Simmons said he could not see how it could be against the law or immoral for a Union to operate a broadcasting system.

"As this is a free enterprise system, it is unfair to prevent people entering the market place ... and it is unethical."

Mr. Simmons said he estimated there were 30,000 television sets on the Island

and that their owners had purchased their sets "on the premise that they could rely on quality programming."

"When the BBC bought Capital, the people were promised improved programming, only to find everything has fallen apart," he said. "Much of this was due to the anti-union actions of the BBC board and management and the discouraging way they have used the union and its members."

Mr. Simmons said if the quality of BBC programming improved to the level Bermuda was used to, there would be no need for the BIU to enter the field.

"We've got enough to do as it is," he said. "But until then, the way is open for new business and the Gov-

ernment should not restrict the Union."

Mr. Simmons said the Union had applied to Dr. Stubbs for a licence a second time and "we will continue to pursue our aim".

The BIU's difficulties in securing a licence were foreseen by a group of consultants commissioned to study the feasibility of Union owned broadcasting stations.

Mr. Simmons said the autumn 1984 report, conducted by Washington DC based consultants L.R. Davis & Co., concluded that the "paramount challenge" for the Union would be gaining a licence and acquiring a transmitting site.

"The resolution of these problems is very complex and highly political," said the study.

## PLP on Political Broadcasts

Hamilton THE ROYAL GAZETTE in English 11 Jan 85 p 5

[Text]

The PLP last night called on the Broadcasting Commission to clarify regulations which govern political broadcasts after a local radio station declined to air them last year.

Party spokesman Senator David Allen said a formal presentation was made to the Commission — which is conducting a review of Bermuda's Political Broadcasting Directions — to make a thorough reform and improve the regulations with the rights of the public as the basic guideline.

The review was brought on when VSB decided not to broadcast political announcements during the Pembroke West by-election in May last year.

It was later learned that the radio station was not legally bound to air such casts.

Because of this the PLP has asked for the following amendments to the Directions to affect political broadcasts at all times — not just during election campaigns:

- The Directions explicitly to spell out the liability of all stations to air political, Government and Opposition broadcasts, with penalties to be enforced if they do not.

- For Bermuda to be brought in line with Britain and certain other jurisdictions in making all broadcasts unpaid.

- All allocations of political broadcasting time to be made according to station rather than "undertaking" or company, to compensate for the merger of ZFB and ZBM.

- Correction of the "current inequity" in funding only

Government broadcasts out of public funds.

■ Equal opportunity of exposure of political parties on newscasts during election campaign periods.

PLP chairman Mr. Alex Scott and Sen. Allen told the commissioners: "We believe that these amendments will go a long way towards guaranteeing the rights of the general public to hear political broadcasts in a fair and unbalanced manner, regardless of a party's philosophy or financial ability to 'buy the air waves'. Anything less is a subversion of democracy.

"It is always important to remember that the air waves are public property, and

that the stations use them only by licence from Government as representatives of the general public to whom the stations owe certain distinct responsibilities," they said.

"The fundamental concern in drawing up these Directions must be the rights of the general public, which must never be made subordinate to any purpose 'rights' of the broadcasting undertaking," they added.

"The public's right to hear the views of the political parties should not be left to the whims of individual broadcasting companies or their executives and should be firmly guaranteed by these directions."

CSO: 3298/387

BERMUDA

FATAL TENT FIRE BRINGS THREATS TO MINISTER OF HOUSING

Hamilton THE ROYAL GAZETTE in English 24 Jan 85 pp 1, 2

[Excerpt]

Housing Minister the Hon. Quinton Edness admitted last night that he had received death threats following the publicity surrounding the Boaz Island tent fire.

Fire officials and Somerset detectives are speculating that a candle left burning caused the Tuesday morning tent fire which claimed the life of four-year-old Shanika Brangman, and severely burned her father Mr. Gary Raynor, 38, and her sister Janika, two.

Last night at the Washington Hospital Centre, Mr. Raynor's condition was described as critical and Janika's as stable but serious.

Mr. Edness was said to be distressed by news reports linking the fire with comments he and Parliamentary Secretary for Housing, Senator Llewellyn Peniston made in September about evicting 18 tent people including the Raynor-Brangman family from Chaplin Bay.

When contacted by *The Royal Gazette* about the threats Mr. Edness said: "Yes I have received threatening calls from people in the community as a result of a flashback headline in the newspaper who did not understand the extent to which we have tried to help these people and the reasons we did not want people staying in tents during the winter".

He said he regarded the callers as extremists who had misunderstood the situation.

CSO: 3298/386



BERMUDA

NUCLEAR WEAPONS CLAIM STIRS GOVERNMENT, OPPOSITION REACTION

PLP Demands

[Hamilton THE ROYAL GAZETTE in English 7 Jan 85 pp 1, 6

[Excerpts]

A top nuclear weapons specialist claimed yesterday that nuclear bombs might already be deployed at the US Naval Air Station. And he said that during an international military crisis as many 32 atomic bombs would be in place.

According to Mr. William Arkin, Director of Nuclear Weapons Research at Washington's Institute for Policy Studies, a classified US Nuclear Weapons Deployment Plan calls for submarine tracking P-3 Orion aircraft at NAS to be armed with B-57 nuclear depth charges.

"Bermuda is earmarked in this plan to receive nuclear weapons," Mr. Arkin told *The Royal Gazette* yesterday. "Bermuda will play a role in anti-submarine warfare operations."

Mr. Arkin said the fact that Marines are posted at the NAS might indicate nuclear weapons are deployed there already.

"When one looks at what

military personnel are stationed in Bermuda you have to think," he said. "There are 1,400 Naval personnel and about 100 Marines for security purposes."

"The presence of Marines at a base often indicates the deployment of nuclear weapons in peace time."

Mr. Arkin's claims took Premier the Hon John Swan by surprise yesterday.

"I'll have to look into it and comment further later," he said.

But the PLP Opposition immediately demanded a full-scale investigation into the claims.

Yesterday's *London Observer* revealed details about US plans to deploy atomic weapons in Bermuda in a story headlined 'Nukes on Sunshine Island'.

"In the event of a world-wide nuclear weapons alert Bermuda will play host to 32 nuclear weapons, each half the size of the Hiroshima bomb," wrote reporter Mr. Peter Pringle.

Opposition leader Mrs. Lois Browne Evans has asked to meet with Governor Viscount Dunrossil in order to lodge a formal complaint with the Foreign and Commonwealth Office concerning the alleged deployment scheme.

"The Progressive Labour Party is gravely concerned over these reports, and is calling on Premier John Swan and the UBP Government to make a full disclosure of any knowledge they have of these plans for nuclear weapons deployment in Bermuda, and if they have no such knowledge, for them to demand full disclosure from the US and British Governments," said PLP spokesman Senator David Allen.

"The people of Bermuda have a right to know if such strategic deployment featured in an unprecedented two meetings the Premier of Bermuda had with British Prime Minister Mrs. Margaret Thatcher in the past 12 months."

## Swan, UBP Response

Hamilton THE ROYAL GAZETTE in English 8 Jan 85 p 1

[Excerpts]

Premier the Hon. John Swan demanded a response from the US Government yesterday following allegations that atomic bombs are deployed at the US Naval Air Station.

Mr. Swan sent a letter through the US Consul-General asking if the US Government could clarify a *Royal Gazette* story which reported the possible existence of nuclear depth charges at the base for use by anti-submarine aircraft.

"I want a response to the allegations reported," Mr. Swan said, adding that he wants to know if Bermuda's Premier will be told by the

US or British governments if nuclear bombs are deployed here.

Mr. Swan said he is not privy to US-British agreements on the deployment of nuclear weapons.

Acting Governor Mark Herdman said he did not know what consultative processes exist between the British and Bermuda governments in the event of deployment of nuclear weapons on the Island.

"Not since the time I came here about two years ago has there been any such consultation," he said. "The question of nuclear weapons has not arisen. It has been a non-issue."

UBP backbencher Mr. Harry Viera said Mr. Arkin should be regarded as a pawn of Soviet mischief.

"It is part of the strategy of the Lords of the Kremlin to use useful idiots like Mr. Arkin for disinformation and what the Soviets would call 'active measures' preparatory to any arms talks, such as the ones taking place today in Geneva."

Mr. Viera said he did not think people "should over-react to his (Mr. Arkin's) speculation. The Mr. Arkins of this world do untold damage by playing on fear and should be addressing himself to Soviet activism in Afghanistan, Central America and elsewhere."

## More PLP Reaction

Hamilton THE ROYAL GAZETTE in English 9 Jan 85 pp 1, 5

[Excerpts]

Premier the Hon. John Swan has formally asked the US Government to respond to Mr. Arkin's allegations that Bermuda would host 32 nuclear devices during an international crisis.

And today, Leader of the Opposition, Mrs. Lois Browne Evans, is to meet with Acting Governor Mr. Mark Herdman to formally request details from the United Kingdom on the matter.

"After all the denials and protestations from the Commander of the Base and the US Consul over the Simon Winchester story, it was unsettling to read Sunday's *London Observer* article (carrying Mr. Arkin's claims concerning Bermuda)," said Mrs. Browne Evans.

"It is time for all of us to unite now and become an independent nation because, even though there might still be a NATO link, at least we would be able to handle the decisions that are now being made by another country."

Yesterday Mr. Arkin said the matter of nuclear weapons deployment was too important for Bermuda to ignore.

"The people of Bermuda and the Bermuda Government need to be more aware of the role the Country plays in the worldwide nuclear infrastructure," said Mr. Arkin.

"The Premier of Bermuda has to know whether he is a leader of a sovereign nation, or if the presence of the US military has more of an impact on his Island's internal affairs than it should have."

Mr. Arkin also rebuffed comments made by Government backbencher Mr. Harry Viera MP concerning his allegations.

"It is unfortunate that this backbencher is so narrow minded that he isn't willing to accept these plans for what they are," said Mr. Arkin. "His attitude seems to be one of attack the messenger and not the message. I think that's sort of irresponsible."

"No one has ever accused me of being a dupe of the Soviet Union before."

Bermuda's Nuclear Awareness Group is also gravely concerned about Mr. Arkin's claims.

Mr. Eddie McGonagle, a spokesman for the organisation, yesterday said his group was not going to let this issue die.

"We won't let this matter rest until we get an answer," he said. "We won't let it get swept under the carpet."

#### Absence of U.S. Reply

Hamilton THE ROYAL GAZETTE in English 29 Jan 85 p 5

[Text]

Government still has no reply from the United States despite a request that US authorities respond to allegations that American nuclear bombs would be deployed in Bermuda during times of international crisis.

Premier the Hon. John Swan confirmed that no reply had yet been received, despite assurance three weeks ago from the US Consul General's office that one would be forthcoming.

Mr. Swan on January 9 asked the US to respond to allegations levied in the London Observer that 32 nuclear B-57 depth charges would be deployed to the Island during times of crisis.

"I want a response to the allegations," said Mr. Swan at the time, adding that the request was formally made in a letter to US authorities.

Mr. Swan said yesterday:

"I have sent a copy of the letter to the UK Government, asking their assistance in getting a response. As of today, I have not received a reply."

"I had been told that I should expect a reply."

According to a classified US nuclear weapons deployment plan, US anti-submarine aircraft based in Bermuda would receive the nuclear depth bombs during an "advanced readiness" alert.

Both US and UK officials have refused to confirm or deny the report.

Sources indicate that the nuclear weapons deployment plan stipulates the British Government must approve the stationing of any nuclear weapons in Bermuda.

## Further Efforts for U.S. Comment

Hamilton THE ROYAL GAZETTE in English 5 Feb 85 p 1

[Excerpts]

Premier the Hon. John Swan yesterday said he has asked US officials to provide him with a copy of the secret Nuclear Weapons Deployment Plan in which it is alleged Bermuda would receive nuclear bombs in times of international crisis.

But he also disclosed that he has not yet received any reply to his initial request for the US to answer allegations that the plan called for 32 nuclear depth charges to be deployed in Bermuda.

"I am trying to secure a copy of that plan," said Mr. Swan yesterday, adding, "I am still waiting for a response to my initial request. I have to deal with facts. I don't want to discuss the matter until I have the facts before me."

The Progressive Labour Party also announced yesterday that it had received a reply from the Foreign and

Commonwealth Office (FCO) in response to a letter sent by the PLP.

PLP chairman Mr. Alex Scott said Opposition Leader Mrs. Lois Browne Evans would hold a Press conference in the near future at which she would disclose the content of the FCO letter written in response to a PLP request to explain reports that Bermuda could be used for nuclear bomb deployment.

It was revealed in yesterday's *Royal Gazette* that Bermuda is targeted for destruction in the early stages of any nuclear war between the US and Soviet Union.

According to documents obtained by *The Royal Gazette*, the Island is already being used as a staging post for aircraft that would provide a crucial communications link for launching sea-based US nuclear missiles.

CSO: 3298/385

BERMUDA

BRIEFS

TOURISM FIGURES--After showing steady declines during most of the year, tourist arrivals perked up slightly at the end of 1984--ending the otherwise lacklustre year on a positive note. In releasing the months figures yesterday, Minister of Tourism the Hon Irving Pearman said the number of visitors to the Island during December was up 4.6 percent from the number arriving on the Island during the last month of 1983. But the total number of visitors for 1984 was still 6.8 percent below 1983's count. Mr Pearman said that in December 15,676 people visited the Island--compared with just 15,067 in 1983. The count for the entire year, however, showed 1983 in the overall lead with 567,710 tourists coming here compared with 528,871 arriving in 1984. Both regular visitors and cruise ship passengers dropped during last year--but Tourism Department officials anticipate a rise in cruise ship arrivals in the upcoming season. Regular visitors totalled 417,461 in 1984, down 6.6 percent from 446,864 regular arrivals in 1983. Cruise ship visitors, meanwhile, declined 7.8 percent for the year with a 125 calls and 111,410 passengers compared to 143 calls and 120,846 in 1983. [Text] [Hamilton THE ROYAL GAZETTE in English 1 Feb 85 p 1]

CSO: 3298/387

BOLIVIA

HUMAN RIGHTS VIOLATIONS, CONTRABAND REPORTED IN PANDO

La Paz PRESENCIA in Spanish 15 Jan 85 p 9

[Text] Reports on inefficient exploitation of rubber, smuggling to Brazil, peaceful penetration encouraged by Bolivians themselves, and absolute lack of respect for laws in force in the country.

"Fifty landowners hold all of the land in the department of Pando; they are the very people who encourage the peaceful penetration of Brazilian citizens, they work the rubber plantations inefficiently, and they display absolute lack of respect for laws in force in the country," as PRESENCIA was told by Luis Terrazas Pareja.

Terrazas Pareja pointed out that he was wounded by a bullet, along with his young 4-year old son, during an attack on his property carried out by Oscar Vaca Roca, Jose Fajardo, Arol Alencar, and an unknown Peruvian, on 5 October 1984.

According to a report from the Permanent Human Rights Assembly and from Pando Prefect Felipe Saucedo Gutierrez, this was the result of a land dispute.

Terrazas says that this was not the basic reason but rather that he is fighting for rescuing "a part of the dignity of the peasants who suffer from miserable exploitation." Only 500 peasants own their land; the rest, approximately 12,000 families, are working for the boss.

He reported that the prefect "is not telling the truth" because, while he and his son were getting first aid in Peru, the attackers were bragging about the whole thing in Cobija. He said that it is wrong that armed police was sent to the place where the crime was committed, over a distance of 70 kilometers by road and 8 hours riding on animals.

He said that Oscar Vaca Roca is at this time in a place called La Junta, 40 kilometers from Cobija, which is completely accessible. He asked why the prefect did not order his arrest.

Only when Human Rights in Cobija asked for a detailed explanation of the event did the prefect make a statement and send a letter to Fr Tumiri, president of the Human Rights Assembly of Bolivia; the text of this letter was published by our morning paper.

He said that he has been unemployed for 4 months, on top of the injury inflicted upon his little boy. This situation was reported to the prosecutor at Cobija. Terrazas hopes that justice will provide redress for the damage caused.

#### Landowners

He reported that, for example, Vaca Roca owns 500,000 hectares. "The agrarian reform never got to Pando." "Only 50 landowners share all of the territory among themselves," he reported.

He said that the peasants are in a state of semislavery and that they get only one-third of what they produce.

He reported that those landowners are working the rubber plantations inefficiently, using chemical products and methods that kill the trees.

They use a chemical called "Ethrel" which milks the tree until it is dry. They also use knives dipped in edible oil and other systems that exhaust the tree and dry it out.

Those same landowners promote peaceful penetration by Brazilian citizens to get them to work on the plantations.

The entire rubber output leaves the country via contraband. It is paid for in foreign currency and that means foreign exchange that is not turned over to the Central Bank of Bolivia, he reported.

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CSO: 3348/295

BOLIVIA

PEASANTS THREATEN TO DISRUPT ICLA HYDROELECTRIC PROJECT

La Paz PRESENCIA in Spanish 15 Jan 85 p 3

/Text/ The Icla project is running the risk of facing serious obstacles due to the lack of understanding on the part of the peasants in the region where it will be built; the peasants have threatened to destroy the structures that have been built there.

That danger was reported by project manager Mario Ramirez who also expressed his concern with what could happen and who urged peasants to think about the great social-economic importance of this project to the nation.

Ramirez said that the peasants of Sotomayor and Poco Poco, communities adjoining the place where the Icla dam will be built, were stirred up by "politicians and agitators" who hinted that they would not be compensated for the land to be taken over by that hydroelectric project.

That action had some negative effect several days ago when officials, managers of institutions, and technicians from the development corporations of Chuquisaca and Potosi came to inspect the place. The peasants proved to be hostile and against the idea of carrying the project out.

The reason behind this opposition was that many plots of farmland would be flooded by the dam; that of course is true; but the project planners made provision for the peasants to be compensated, including the award of more and better land.

In view of the threat recently expressed by those peasants to attack and destroy the camp established in Icla, engineer Ramirez said that it is up to the various institutions in Chuquisaca and Potosi, as well as government officials and persons of good will to dissuade the peasants and provide information necessary to prevent this trouble.

He repeated that the land involved will be more than compensated for; besides, the new land will have permanent irrigation, housing, and a fruit and vegetable cultivation program which will guarantee better economic conditions for those settlers.



In addition to money compensation, the Icla manager also indicated that the region in general will benefit from the opening of good roads, construction of schools and hospitals, and the forestation of the region.

The Icla project, which is considered a multiple project because of the many aspects it covers, such as hydroelectric, irrigation, and agriculture, as well as fish farming, is one of the projects of the utmost immediate importance to the country, particularly to the districts of Chuquisaca and Potosi.

5058

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BRAZIL

## RIO PFL SCORES BRIZOLA: PARTY'S MISSION DEFINED

### PFL to be Opposition

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jan 85 p 7

[Text] The Liberal Front Party [PFL] yesterday revealed its program "Commitment to the Future" in Rio, declaring that its position toward the government of Leonel Brizola is "one of determined opposition and permanent vigilance." The state government, says the note, "has been dismantling the administrative machine, subjecting it to poorly trained and incompetent personnel."

The PFL program was revealed during the prelaunching of the party last night, when the former minister of Social Welfare and Debureacratization, Helio Beltrao, was transformed into the central figure of the meeting and had his name proposed as the successor to Governor Brizola. Five former ministers of state, six federal deputies, in addition to jurists Sobral Pinto and Afonso Arinos, were witnesses of the enthusiasm of the 2,000 persons, who crowded into the interior and surroundings of the Princess Isabel Theater in Copacabana.

The PFL program points out that Governor Brizola, to compensate for his "inefficiency" promotes "ruinous" increases in taxes, subjecting the people to "real confiscation." It says: "The Liberal Front denounces the absence of public spirit and administrative capability of this administration."

Also according to the PFL program, Rio de Janeiro has as its patrimony the example and political message "that gripped national public life and enriched it." Therefore, only superficial observers can believe that a state so culturally, politically and historically rich "will submit to a minority government which today afflicts it."

### Decency

"We are installing in this state the party of liberty, the party of truth, the party of decency," said former Minister Helio Beltrao in his speech to the applause of those present. "It is a party that can give an example to the country of a new message; that it will be a clean piece of land." Moments before Helio Beltrao began his speech, the audience itself repelled a maneuver meant to give the stage to former Minister Armando Falcao. Among

shouts of "Nothing to say" and many jeers, the representative of TV VERDES MARES of Fortaleza who suggested the speech by the former minister, had to leave the theater.

Former Minister Helio Beltrao said in an interview that the new Liberal Front Party, whose definitive launching in Rio de Janeiro is scheduled for next February with the presence of Vice President Aureliano Chaves, does not seek to embark on a systematic opposition of the Leonel Brizola government: "All is going to depend on the behavior of the governor of the state," he declared. "Our position is in favor of the state of Rio de Janeiro and not specifically against anyone. However, in the degree that the state government errs, we shall be against the government."

Helio Beltrao also said that no one in the new party is thinking of demanding jobs from the Tancredo Neves government: "Our party is against that. We intend to ask for work, to serve the people. Our message is new. It is a party for serving and not for begging."

According to Helio Beltrao, the PLF is already larger than the PDS in the state of Rio because it has 12.3 percent of the preferences of the former voters, according to a recent poll. The PDS, which had 20.3 percent of the voters, fell to 8 percent. "The Liberal Front is also the one which shows the greatest rate of growth, despite the fact that it is not yet structured. We are larger than all the parties except the PDT [Democratic Workers' Party] and we are already catching up to it," declared Beltrao.

Federal Deputy Alvaro Valle, secretary general of the PFL organizing committee in Rio de Janeiro, said that when the Liberal Front speaks of being in opposition to Leonel Brizola, it is only reflecting the thinking of the entire state: "We are seeing the misgovernment of a city and a state, where incompetence is the rule of the administration and where we have a governor who thinks of nothing else but of his candidacy for president of the republic."

#### The PFL Mission

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Jan 85 p 3

[Text] The launching of the Liberal Front Party [PFL] (Why not just Liberal Party?) in Rio is worthy of mention. This is because much is expected of it in view of the poverty of what could be called the doctrinaire framework in which the present political groups are organized. What was seen in the aforementioned launching was that the PFL has the backing of people of influence and responsibility; it has the support of personalities, which in itself recommends it to the appreciation of public opinion, justifying the favorable expectations of those who look to it and judge it suitable for establishing the proper formula for many of the problems suffered by national politics. That, however, means only a good beginning; it is far from being everything that the new party lacks for growing and taking root in the trust of the people. Simultaneously with the ceremony held in Rio, Deputy Thales Ramalho, speaking with the authority conferred upon him by his knowledge of

politicians and his experience in public life, sounded a warning which it is not wise to ignore, criticizing the manner in which the leadership of the party is being organized. "We left the PDS, complaining about the lack of internal democracy and some were dissatisfied because a prior election was not held for the selection of a candidate for succession."

Going further, the legislator from Pernambuco declared: "Now we are witnessing a repetition of those same authoritarian methods. I do not accept that decision-making process." Ramalho refuses, without being heard, to take note of the deliberations of five senators, who according to him, have command of the PFL in their hands: Marco Maciel, Jorge Bornhausen, Guilherme Palmeira, Carlos Chiarelli and Jose Sarney (still officially linked to the PMDB). It is fitting that it be asked how the organization which appears predestined to fill the vacuum existing in the democratic center (toward which the great majority of the electorate leans) would want to structure itself on an at least exclusionist pattern. The results revealed of a recent poll by IBOPE [Brazilian Public Opinion and Statistics Institute], acknowledging that a good percentage of public opinion (7.9 percent), even before it was formed, makes it its preference must be very helpful. The PMDB, as a reflex of the election of Tancredo Neves, exceeded it in popular sympathy by a wide margin and the PDS leads it by a little. The other parties fell behind it in the poll.

It is not enough for the Liberals that they have the support offered by influential people. It is necessary that they garner solid support in the various social sectors where there is always a nucleus made up of those who lean toward moderate politicians who know how to keep their distance from the radicals of the right and the left, making up the positions of the center. This is the time and the turn of the PFL. The PMDB is a party front and perhaps will not emerge unscathed from the formation of the Tancredo Neves Government, because when the president-elect recruits his immediate helpers and their names become known, those who are left out or who do not agree with the doctrinaire line of those names will probably go to swell the ranks of others. The old PDS is in the process of deterioration and no one knows whether it will survive. The PDT exists to lend body to the ambition of Governor Leonel Brizola, his own candidate for Planalto Palace, whenever it may be. The PT [Workers Party], advocating, as it confesses in its manifesto, the adoption of "plebiscitary forms of government," specializes in fomenting strikes and creating the greatest disorder possible with them, in addition to coercing its representatives in Congress.

It is not only in Brazil where the voters have had the chance to honor the moderates and centrists. The historical election which took Raul Alfonsin to power demonstrated that the Argentines were fed up with Peronist demagoguery. More recently, the Uruguayan election picked out Julio Maria Sanguinetti of the same tendency, when everything led one to believe that the long military dictatorship would shove the pendulum of politics toward the extreme left. That is a phenomenon that requires an analysis in depth. Why did the radical left not ascend to power in Latin America? Of course it must be remembered that in the era of mass communications, no matter how strict the censorship imposed may be, the people manage to become aware that demagoguery resolves nothing and that the socialization of production distributes poverty. They have, perhaps, a presentiment that general prosperity, the most conspicuous goal of the social organization, is closely tied to free enterprise. Everywhere the state-run economies have the prerogative of

generating at the same time the training of a leadership class, the "new class," and a collective impoverishment, which makes victims of the great majority who do not belong to it. A long time ago, Necker, a minister of Louis XVI, said: "Give me good politics and I will give you good finances." Today the reverse applies: If there were good finances, there would be good politics.

It is obligatory to conclude that the PFL will fulfill the highest obligation of disseminating the message of political, social and economic democracy to which Brazilians are devoted, conciliating freedom and order, or it will fail. There only remains to express hopes that it will know how to understand the historical reality that surrounds it and that it will heed the call with which it appears on the public scene. The country and the people can only be the winners if it shows itself to be worthy of the noble mission with which it declares itself invested.

#### PFL Chooses Leaders

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 24 Jan 85 p 6

[Text] The bloc of deputies of the PFL, which will have its first National Convention today, yesterday selected Deputy Jose Lourenco (Bahia) by acclamation as the party leader in the Chamber. Also elected were the 11 members of the Provisional National Executive Committee: Deputies Saulo Queiroz (Mato Grosso do Sul), Wolney Siqueira (Goias), Jayme Santana (Maranhao), Stelio Dias (Espirito Santo), and Tarcisio Burity (Paraiba). Herbert Levy (Sao Paulo) and Francisco Erse (Roraima) were alternates. Senators Marco Maciel (Pernambuco), who will be the president of the PFL, Jorge Bornhausen (Santa Catarina), Luis Cavalcanti (Alagoas), former Governors Ney Braga and Tarcisio Maia and former Minister Helio Beltrao will be appointed notables of the PFL Executive Commission today.

The choices will be countersigned today in the Party National Convention, which will also approve the manifesto, program and bylaws of the PFL. The 11 members of the Executive Committee will appoint the secretary general and treasurer of the new party. The strongest candidate for secretary general is Deputy Saulo Queiroz who received the most votes yesterday: 33 of the 44 votes cast.

The meeting of the party bloc began noisily, with Deputies Paulo Lustosa (Ceara), Jose Machado (Minas Gerais), Alcides Lima (Roraima), and Francisco Studart (Rio de Janeiro) asking for postponement of the voting, arguing that they were not sufficiently clear on the criteria for the selection of the representatives of the Executive Committee and the leadership of the party. Paulo Lustosa criticized the leaders of the Liberal Front saying that he was against quick slates, native sons and "cliques."

Deputy Alcenir Guerra said that the selection of a leader cannot be delayed because he must be the mediator of the party in the selection for the positions in the House Committee and for the technical committees.

Deputy Paulino Cicero (Minas Gerais), who presided over the meeting, calmly listened to all the questions of order and put up for a vote the first item on the agenda, the selection of the leader. The other questions, which he called items for vote, were decided later. Francisco Studart, to demonstrate that he had nothing personal against Deputy Jose Lourenco, suggested that the selection be made by acclamation. All agreed and Jose Lourenco began to receive embraces and congratulations.

In the selection of the five deputies who will make up the Executive Committee, the process was the most democratic possible. All 49 representatives placed the names of five colleagues in an urn. Those who received the most votes were selected. "This is an unusual way to select the leaders of a party, it is truly democratic," declared Deputy Inocencio Oliveira (Pernambuco) happily. He said he never saw anything like it in his former party, the PDS.

The selection of the three senators for the Executive Committee to serve as notables was accomplished in a peaceful manner in the morning, however, the appointment of the leader was postponed until after the National Convention because several senators of the PDS should join the new party as of today. While the meeting of the legislative bloc was under way, in the Liberal Front Committee Vice President Aureliano Chaves was receiving the national president of the PTB, Ricardo Ribeiro, who signed the manifesto of the PFL. He and Francisco Studart are the first two members of the PTB to abandon that party. The leaders of the Front are expecting new enrollments in coming hours.

The appointment of Deputy Tarci Burity (Paraiba) to the Executive Committee should resolve the crises caused by the entry of Governor Wilson Braga into the PFL. The deputy says that he will only agree to remain in the new party at the side of the governor--a former Maluf supporter--if the governor manages to maintain control of the party in his state.

Up until yesterday, 123 legislators--senators, federal deputies and state deputies--had signed the PFL manifesto. Deputies Dionisio Hage, Celso Barros and Magno Bacelar, joined yesterday. One of the questions asked during the legislative bloc meeting was whether those who joined the new party from the beginning should have preference over the rest. Deputy Jose Jorge (Pernambuco) suggested that the list be thrown out to put an end to any differences.

8908

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BRAZIL

DISENCHANTED FMLN GUERRILLA SURRENDERS IN EL SALVADOR

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Jan 85 p 8

[Text] San Salvador--Yesterday the Salvadoran Army presented a guerrilla to the press who surrendered a week ago because he "disagreed ideologically" with the Farabundo Marti National Liberation Front (FMLN) and because he was having health problems. He is Mario Ossamu Nomura, 34 years of age, who says he is a native of the state of Parana. According to Nomura--who held a collective press interview seated in a wheel chair--he helped the FMLN for a month in the department of Morazan (northern part of El Salvador) as a combat instructor and was recruited for that service by a guerrilla commander with whom he met during a 19-day stay in Nicaragua.

In the opinion of the guerrilla, the FMLN "is not in a position to win" because it is "untrained for combat," using even children of 12 to 14 years, "who cannot even carry the weight of a rifle." Nomura added that he was "forced" by his superiors to train some of those children in guerrilla tactics. Nomura did not wish to specify his place of birth, limiting himself to saying it was the state of Parana and he declared he served in the Brazilian Navy for 4 years and belonged to the Communist Party of Brazil [PC do B]. He affirmed he entered El Salvador "through legal routes" after having been promised that he would be paid for services provided to the guerrillas "something which did not happen."

The Brazilian ambassador in San Salvador, Mario Loureiro Dias da Costa, informed O ESTADO that he had only been informed of the capture of Nomura Monday night and that he has already asked Itamaraty to investigate the origins of the guerrilla. The ambassador wants to confirm whether he is actually a Brazilian and whether he entered El Salvador legally. Nomura is being held in the Military Hospital of the Salvadoran capital (he suffered a dislocation of the spinal column caused by a fall) and will be tried by a military court.

The FMLN announced that it is going to intensify its campaign to prevent traffic on Salvadoran highways; between 2200 and 0400 any driver who disobeys this order, effective as of yesterday, will "suffer reprisals."

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BRAZIL

PCB LEADER ON PLANS TO WIN LEGALIZATION; OTHER COMMENT

Brasilia CORREIO BRAZILIENSE in Portuguese 23 Jan 85 p 4

[Text] Rio--The secretary general of the Brazilian Communist Party [PCB], Giocondo Dias, announced yesterday in a collective interview that the PCB has abolished the concept of a single party to advocate the plural party system, in a move which reinforces the fight for the legalization of the party, waged obstinately by the party since its foundation in March 1922---the PCB has only been legal for a short period of 2 years after the Constituent Assembly of 1946 following the fall of the New State.

The communist leader expressed his willingness to meet with President-Elect Tancredo Neves after his inauguration. Neves already received him when he was governor of Minas Gerais, "when he declared that he advocated the legalization of all parties, which is also the position of the majority of the governors of the PMDB [Brazilian Democratic Movement Party] and the PDS [Social Democratic Party] we have visited." In his opinion, the legalization of the PCB is not a demand of the communists but of all democrats.

The PCB and all clandestine parties may be legalized in case the amendment by Deputy Roberto Freire (PMDB Pernambuco), which abolishes Article 152 of the Constitution (it forbids the organization of parties with international links) is voted upon and approved by the National Congress. Giocondo Dias expects the amendment to be voted on in March "since it has already been signed by 350 deputies and 48 senators, which means more than two-thirds of Congress."

Single Party

The PCB secretary general explained that advocacy of the plural party system and the revision of the concept of the dictatorship of the proletariat, two traditional principles of Marxism-Leninism, do not signify "tactical concessions" in the search for legalization of the PCB.

"The problems are not doctrinaire and we have to adapt the struggle for the socialist revolution to Brazilian conditions. There are 52 socialist countries in the world today, adapted in terms of their reality. Therefore, here in Brazil we believe differences point to a plurality of parties. In East Germany, for example, it works," emphasized Giocondo Dias.



The communist leader believes the persecution of Brazilian communists to be "stupid." "Since our foundation, we always fought for the right to organize legally so as to participate in the political life of the country. What happens is that the Brazilian elites are among the most authoritarian and retrograde and democracy only applies to them."

He believes, however, that other characteristics act favorably for the legalization of the PCB at this time. "Another factor is exerting influence: Popular pressure. Before, there was only the pressure of the powerful on the rulers. Now things have changed a little; the world changed, Brazil changed and some concepts are now being revised. Here, now, no one wants to stand with the right anymore."

Giocondo said that in the crusade in search of legalization of the PCB he has already visited the National Congress, legislative assemblies of several capitals, and Governors Jair Soares of the PDS of Rio Grande do Sul, Franco Montoro, Helio Garcia, Esperidiao Amin, Gerson Camata, Luiz Gonzaga Motta and Jader Barbolho. According to him, the governors are in favor of "the legalization of all the parties today in clandestinity."

#### Structure

The PCB secretary general guaranteed that "despite the repression of the dictatorship imposed in 1964 having been more intense than the repression under the 'New State,' today "there are more communists in Brazil than at the end of the government of Jango [Joao Goulart]." According to him, 80 percent of the communists of today are young and a large number of them are women. He avoided giving the number of members, but acknowledged that the majority of them are from "the middleclass, a problem that will only be resolved when we emerge from clandestinity."

In his opinion, the party potentially has everything for growing and he recalled the experiences of legalization in 1946 "when we had nearly 150,000 members and we elected 14 federal deputies and one senator, almost 10 percent of the votes, in the Constituent Assembly." At that time Giocondo, today 72 years-of-age, was elected state deputy for the Legislative Assembly of Salvador.

After recalling part of the history of the party and its campaigns against Nazi-facism, for industrial development and for the nationalization of the exploitation of petroleum, Giocondo also acknowledges errors, "primarily our activities in the union front. However, we took advantage of that experience and we learned that things are not easy and the party changed for the better."

#### Gibson will Vote against Legalization

Recife--Deputy Nilson Gibson said yesterday that he signed the Roberto Freire amendment making possible the legalizaition of the Communist Party but that he is going to vote against its approval when legislative work in the National

Congress begins again. He said he signed the document presented to him by the Pernambuco deputy only for the purpose of making the handling of the amendment feasible at the request of a legislative colleague, however, he said that he emphasized to Roberto Freire that he would vote against it. "To legalize the Communist Party would be to go against the democratic and Christian traditions of the Brazilian people," said Nilson Gibson, "who have characterized themselves by an intransigent anticommunism."

Unlike his customary behavior of always being available to newsmen, Deputy Nilson Gibson, since the election in the Electoral College, has been standoffish, particularly when he has been sought out to speak about his political future in Pernambuco and on the presidential election in which he, surprisingly, did not vote for Deputy Paulo Maluf, of whom, he revealed initially, he was one of the most intransigent defenders, forming part of the so-called Maluf "shock troops."

"I only speak on the new Penal Code or on the Jorge Carone Amendment, approval of which will bring nearly 3 million cruzeiros to Pernambuco, or also on the legalization of the PC, against which I will mount the podium every day," said Deputy Nilson Gibson.

8908

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BRAZIL

HIGH MILITARY SOURCE AFFIRMS MILITARY SUPPORT FOR NEVES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Jan 85 p 4

[Article by Helio Contreiras: "Military Guarantee Support for Tancredo"]

[Text] President-elect Tancredo Neves already has enough military support to assure him of the guarantee he will need to maintain the armed forces turned inward, without involvement in the political-party debate that will take place in his government in the accomplishment of the reforms he intends to put into practice. The information was given yesterday by a high military source, who indicated meetings the new president had with the military while still in the initial phase of his candidacy.

The meetings of the then candidate with the military were discreet, but extremely useful since they allowed him to be up to date on the status of the armed forces, particularly of the commands of the three forces.

Yesterday a member of the High Command called Tancredo Neves the first civilian president-elect since 1945 whose election was not contested but rather accepted in military circles; moreover, even before inaugurated he is already up to the level of the hopes of renovation and professionalization and of the thinking prevailing in a large part of the military.

For that same reason, his opinion on the creation of the Ministry of Defense given in his first press interview after being elected, reflected the thinking prevailing in military circles that the idea in itself is good but there is not yet the proper climate for it to become a reality.

Before the creation of the Ministry of Defense, the armed forces will have to pass through three phases: consolidation of the professional option, with the abandonment of political affairs and the turning inward toward a military position; the redimensioning of the military budget, which does not yet reflect reality and lacks good coordination, something which even before the creation of the Ministry could be passed on to the Armed Forces General Staff (EMFA); and finally, the phase in which the armed forces would turn to their primary functions, those truly related with the military branch.

For Adm Mucio Piragibe de Bakker, for example, the political "status" that some nonessential powers guarantee to the armed forces, causes those powers to be placed on the same plane as those which mean much more in terms of preparing the defense of the country.

Another portion of the interview with the president-elect, which had a positive impact among the military who analyzed his statements, was that relative to the National Service for Intelligence (SNI), which he intends to keep but reorganizing it so that it will not be confused with a police organization which has taken on the functions of a political police, as happens in totalitarian regimes.

As far as the military itself is concerned, the SNI should not serve governments or groups or have a party function but should serve the country. One of the intelligence specialists in the military area, Col Sebastiao Ferreira Chaves, said that with the change the SNI should lose the structure of a superpower, of a parallel power impenetrable even to constituted powers such as the Legislative and the Judicial.

Chaves, who has already been an intelligence specialist in the War College [ESG], said that a part of the jurisdiction of the SNI, that of counter-intelligence, should be given to the Federal Police, but according to the high ranking army officers, other changes must also be made in the body.

However, other points in the Tancredo Neves interview deserved favorable comment in the military area, such as excessive fringe benefits, because not all the military men who served in Brasilia accepted the official facilities, which covered all branches of public life: Executive, Legislative and Judicial, the latter in a substantially lesser degree.

Maximiano da Fonseca, the former minister of the navy, was one of the military men who pointed out the success of the president-elect in his first interview, since he met the expectations they had, that is, he dealt objectively with all the questions asked.

To the admiral, the new president has all the qualities for consolidating the professional position aloof from political-parties that the armed forces will adopt and which, according to him, "is the only one that pertains to the military institutions."

The former minister was one of the military men who contributed to preventing the attempt at a "white coup" from prospering. And it really happened. The document that recommended pressures, in an attempt to impose the candidacy of Paulo Maluf and which was revealed by reporter Evandro Parangua in O ESTADO and JORNAL DA TARDE, was not a "press fantasy" as some "misinformed" persons said at the time, according to military men who had knowledge of it. Authorship, is even attributed to one of the military men who most supported Maluf in Brasilia. The document, however, according to one of the general officers who supported the maintenance of normality and assured support for Tancredo Neves, was not accepted by President Figueiredo.

BRAZIL

IKL 1400 SUBMARINE CONSTRUCTION TO BEGIN IN FRG IN FEBRUARY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Jan 85 p 6

[Text] Yesterday the navy announced that construction of the new IKL 1400 class submarine for Brazil will be initiated in West Germany in February.

The submarine is larger than the IKL-209 which is better known because it is a model with technology of a previous generation. Construction of the new submarine is part of the Brazilian naval reequipment, which has been more rapid beginning with last year. The information was given exclusively to O ESTADO and JORNAL DA TARDE.

The submarine, which has sophisticated German technology, will be the most modern of the three Oberon-class submarines built for the Brazilian Navy in the past decade, ordered during the administration of Adm Adalberto de Barros Nunes, when the policy of using national materials was more firmly adopted.

The period for the construction of the submarine in the FRG is 3 years, pursuant to a contract signed with the HLW shipyard, which has been in effect since July 1984. The initiation of the execution of the project is an important step in the strengthening of Brazilian naval power, a priority goal of the present naval administration, which is interested in professional aspects and aloof from questions of purely political interest.

The contract with the West German HLW shipyards stipulates construction of another submarine, to be built at the Naval shipyard of Rio de Janeiro, but on the basis of a German plan, because only now has the navy managed to begin planning national vessels of that type. In the first phase--the present--it will be necessary to assimilate foreign technology; in the second, there will still be the need for foreign assistance and in the third, finally, a submarine would already be built without depending on foreign sources.

At this time Brazil has only 7 submarines of the Oberon class and they were built in England during the last decade. The other four are old and were acquired second-hand from the United States.

## National Technology

There is a naval plan today for the construction of submarines with plans by the Directorate of Engineering of the navy. It is known as NAC-I. With the experience acquired in the construction of the two units stipulated in the contract with the HLW shipyard, this plan may be placed into execution without major problems.

Studies are already being made for adapting the Naval Shipyard of Rio de Janeiro so that the second submarine stipulated in the contract with the German company may be built there. That objective will be reached shortly without major difficulties because the shipyard is already in a condition for carrying out sophisticated naval projects such as that of the training frigate "Brasil," which could replace the old and makeshift "Custodio de Mello" for the midshipmen's cruises beginning in 1987.

8908

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BRAZIL

ELECTRICITY USE SURPASSES OIL CONSUMPTION IN 1984

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Jan 85 p 42

[Text] The event of greatest importance in the field of energy in 1984 was the first place assumed by electricity, unseating petroleum as the most used energy source in Brazil. In 1973 petroleum consumption reached 36.6 million petroleum equivalent tons (PET) and that of electricity 15.9 million tons PET. In 1978 the ratio was 54.9 million PET in petroleum and 31.5 million PET in electricity; in 1983 petroleum consumption had declined to 46.8 million PET with electricity maintaining its advance and totalling 41 million PET.

Between 1973 and 1983 the increase in the final consumption of electricity was 157 percent, while petroleum consumption increased only 27 percent. Last year, according to preliminary figures of the national energy balance, petroleum consumption continued to fall to 45 million PET and that of electricity climbed to 46.5 million PET, electricity becoming the foremost national energy source, an event which is very promising because Brazil still has abundant untapped water resources.

This was also the year of the blackout, which paralyzed the two large cities of the center-west, Rio and Sao Paulo, for several hours on 19 April, causing gigantic bottlenecks because of the turning off of traffic signals, jams of collective means of transportation, because trains and subways were halted, and there was panic in elevators, lack of water, and so forth.

The official explanation by ELETROBRAS [Brazilian Electric Power Companies, Inc] was that after the failure of a transformer at the Agua Vermelha hydroelectric powerplant, there was a chain failure of all the other units. In addition to the overload at a time when daily use tends to increase, the blackout was also due to the lag in the construction of several 500-kilovolt transmission lines, transformers and capacitor banks which would give greater reliability to the system, allowing the routing of the energy produced by other lines, supporting the overload.

With the blackout there also came a rescheduling of the expenditures by ELETROBRAS, whose priority until then was directed at generation, thus weighing the balance more evenly toward the side of distribution and transmission. While expenditures in distribution represented 10.7 percent of total expenditures in 1983, that percentage should increase to 13.8 percent in 1984, 16.0



percent in 1985 and 19.1 percent in 1987, according to the spending plan by the company up to 1988. Expenditures in transmission are going to reach 33 percent of total expenditures in 1985, with 44 percent going to generation. Last year generation represented 57 percent of expenditures and transmission 24 percent.

### Large Powerplants

The year was ended with the inauguration of the first phases of two "collosi": Itaipu, the largest hydroelectric plant in the world, with 12.6 million kilowatts, and Tucurui, the largest in Brazil, with 8 million kilowatts.

At the same time that it was inaugurating those two powerplants, however, the electric sector turned on a yellow light, calling the attention of the future government to the need for maintaining the rate of investments--nearly \$6 billion per year--until 1990 in order to face up to consumption which once more grew at rates similar to those of the era of the "economic miracle," which means at around 11 to 12 percent per year.

If this figure is maintained until 1990, it will be necessary to double the present installed capacity of the country from 40 million kilowatts, building the equivalent and more of two Itaipus, in addition to the present one, by 1990. This forecast was made by Minister of Mines and Energy Cesar Cals, who is usually right. He forecast that Brazil would produce 500,000 barrels of petroleum daily in 1985 and not only the president of PETROBRAS but also Vice President Aureliano Chaves, at that time president of the National Energy Commission, contradicted him.

Both were mistaken, and by a year and a half, because PETROBRAS reached that mark early in June 1984 and is going to conclude the month of March by skirting 600,000 barrels per day. That is possible because the company decided as of 1979, by order of the Ministry of Mines and Energy, to work effectively in prospecting and exploring Brazilian subsoil, concentrating a growing part of its spending in that area, whereas up until that year the priority had been sales and refining.

### Accidents

It was the year of accidents in oil pipelines and installations. An oil pipeline leaked between Santos and Sao Vicente, causing the greatest ecological disaster of the Sao Paulo coast. Gasoline leaked from a pipeline between Santos and Cubatao, causing the death of a hundred persons who lived on a strip of right of way--Vila Soco--but which the government of the state had established in the area by building improvements such as lights and schools, instead of removing it. Natural gas also leaked at the Enchova drilling rig, the most productive of the Campos Basin, which has the record-producing well with 17,000 barrels per day. The national average barely exceeds 1,000 barrels per well.



Congress attempted to impose the payment of "royalties" by PETROBRAS for the privilege of exploring for petroleum on the continental shelf but the president of the republic vetoed the plan completely. The National Energy Commission was also practically abolished. Its last plenary meeting was in May 1983, because Vice President Aureliano Chaves resigned its presidency in July. His replacement was not appointed and the organization suspended. Actually he no longer had any voice, because the filling [blank] with authorized to work on Saturday in April without any type [blank] with the Commission.

#### Taxes

There was great activity in the area of byproducts. The year began with the discussion about the factors of the Single Tax on Fuels and Lubricants, which had been set at zero by SEPLAN [Secretariat of Planning] as a means of preventing these resources from being transferred to the states as ordered by the Passos Porto Amendment. In their place there was instituted a Tax on Financial Operations, which fell upon petroleum imports. This tax was so heavy that it was replaced by a special budget allocation for the equalization of the prices of byproducts throughout national territory.

This allocation is going to allow the Court of Accounts of the nation to oversee the use of this money by the National Petroleum Council [CNP]. Up until that time that oversight did not exist; the CNP handled sums which exceeded the sum of a trillion in the midst of accusations of favoring relatives and friends in the distribution of concessions for gasoline stations, retailers, haulers and gas distributors, and of the organization throughout the country of gangs for the illegal reception of freights, billing for fuels that were not sold and which were never hauled.

Since the system of oversight was practically inexistent and Brazil is so large, fraud was almost impossible to detect. However, the CNP guarantees that with the system implanted since the beginning of 1984, the troubles of the "freight Mafia" would increase. In October, President Figueiredo issued a decree ordering that monetary correction be applied to the amounts misrouted and discovered by the CNP. Up until then those sums were returned up to 2 years later without correction.

8908

CSO: 3342/96

BRAZIL

\$60 MILLION LESS TO BE SPENT ON OIL IMPORTS IN 1985

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 85 p 37

[Text] This year Brazil will spend \$60 million less on petroleum imports because of the OPEC decision to reduce the price of petroleum as of tomorrow from those countries which make up the organization, it was reported yesterday in Rio by the commercial superintendent of PETROBRAS, Hamilton Sergio Albertazzi, who is certain that new declines in prices will take place in coming months.

Net exchange expenditures for petroleum imports, the revenues from byproduct exports already subtracted, are estimated by PETROBRAS at approximately \$4 billion for 1985. The country needs to import nearly 600,000 barrels of petroleum daily, of which 400,000 are earmarked for domestic consumption as fuel and 200,000 for export in the form of refined products, primarily gasoline and fuel oil.

According to the PETROBRAS commercial superintendent, the small impact of the OPEC price reduction on the expenditures on petroleum imports is the result of three factors: The first is that the increase in national petroleum production reduced the impact of increases or reductions in imported petroleum prices; the second is that Brazil needs to import more petroleum of the medium and light types, which had smaller reductions in prices, and the third factor that reduces the effect of the OPEC decision on the Brazilian balance of payments is that PETROBRAS is giving preference to imports of petroleum from countries which insure a reciprocal purchase of Brazilian products and not from countries which sell it cheaper.

More Inexpensive

However, PETROBRAS is certain that the OPEC countries will be forced to approve new reduction in petroleum prices. Superintendent Sergio Albertazzi expected that the decrease now approved would average \$2 per barrel, but it was limited to \$1 on light petroleum. His conviction as to the inevitability of new declines in the prices of petroleum exported by the OPEC countries derives from the fact that demand for petroleum by industrialized countries will be markedly reduced in coming months.

In the Northern Hemisphere, said Albertazzi, winter is ending: in England, the miners' strike has lessened in intensity with the return to work of 65 percent of the miners, and on the spot market, where 50 percent of the volume of the supply of petroleum is negotiated, light petroleum prices have been under OPEC prices. Another signal of the weakening power of OPEC is the fact that the countries making up that cartel are now producing only 14 million barrels daily for a world consumption of 43 million barrels, when in 1979 their production was 31 million barrels per day for a world consumption of 51 million barrels per day.

Albertazzi also explained that PETROBRAS is now obtaining greater volumes of light byproducts (gasoline, LPG, diesel oil, aviation kerosene) from the residues of heavy petroleum refining through the use of more improved production processes in the refineries. Since national production is characterized by a greater volume of medium type petroleums, more toward the heavy than light petroleum, imports are concentrated more on light types and, in a smaller proportion, on the so-called extra lights.

8908

CSO: 3342/96

BRAZIL

IBOPE POLL SHOWS 66 PERCENT HAVE CONFIDENCE IN NEVES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Jan 85 p 10

[Text] The majority of voters of 11 capitals questioned in an IBOPE poll, revealed on the program GLOBO REPORTER, trust in the government of Tancredo Neves and believe he will manage to resolve the problems of the country. Of the 2,100 voters polled, 66.6 percent expressed their confidence in the president-elect; 25.9 percent answered that they did not trust in him, and 7.5 percent did not know or refused to answer.

The poll was carried out in the metropolitan regions of Sao Paulo, Rio, Porto Alegre, Belo Horizonte, Curitiba, Recife, Fortaleza and Florianopolis, in addition to Salvador, Goiania and the Federal District. Twenty-one hundred voters of all ages and classes were questioned.

The study reveals that the PMDB [Brazilian Democratic Movement Party] grew in popular preference: 42 percent of the voters voted for the party in 1982 and 45 percent would vote for it if an election were to be held today. The PDS [Social Democratic Party] has already fallen from 18 percent to 9.8 percent; the PDT fell from 11.1 percent to 6.5 percent; the PT [Workers Party] rose from 5.4 percent to 5.6 percent and the PTB [Brazilian Workers' Party] fell from 5.5 percent to 1.9 percent. Despite still being in the formation phase, the Liberal Front Party [PFL] obtained 7.9 percent of the preferences of the voters polled. The 10.9 percent of voters who did not vote in 1982 would fall to only 2.8 percent today, while those who voted blank would go from 1.3 percent to 1.9 percent and null votes from .4 percent to .8 percent.

Of the voters polled, 73.6 percent are willing to make sacrifices to help the country in the next administration; 19.2 percent are not willing and 7.2 percent had no opinion. According to the poll, Tancredo Neves would have the votes of 77.2 percent of the voters if the election for president of the republic were to be direct and held today; 9.6 percent would vote for Paulo Maluf; 11 percent would vote for neither and 2.3 percent did not reply.

The performance by Tancredo Neves in government will be ordinary, according to 41.3 percent of those polled; good according to 36.5 percent, excellent according to 12.6 percent; poor according to 3.3 percent and very poor according to 2.3 percent. There was no reply from 3.9 percent.

The main problem to be confronted by the new government is that of unemployment, according to 56.9 percent of the voters; followed by inflation according to 53 percent, wages, 48.2 percent; abandoned children, 21.7 percent; the foreign debt, 18.6 percent; corruption, 15.2 percent; education, 13.2 percent; security, 12.5 percent; and housing, 10.9 percent.

In the part referring to wage policies, 58 percent believe that wages should rise more than inflation; 34.5 percent believe they should rise as much as inflation; 4.1 percent believe they should rise less than inflation and 3.3 did not reply.

Renegotiation of the foreign debt was advocated by 32.8 percent, while 32.4 percent support a break with the IMF and the creditor banks; 23.8 percent believe Brazil should fulfill the commitments assumed by the Figueiredo Government and 11 percent had no opinion.

As far as 47.9 percent of those interviewed are concerned, the National Constituent Assembly should be convoked immediately; 19 percent say in 1986; 18.9 percent do not know what it is; 8.5 percent say it should be after 1986 and 5.7 percent had no opinion.

The duration of the term of Tancredo Neves in the Presidency should be 4 years according to 43.3 percent of the voters polled; 6 years according to 26.5 percent; 2 years according to 24.3 percent and 5.9 percent had no answer. Thirty-eight percent believe that the successor to Tancredo should be Aureliano Chaves. Aureliano is also the first name mentioned (11.6 percent) for the ministries of Tancredo Neves.

8908

CSO: 3342/89

BRAZIL

BRIEFS

**PETROBRAS LEADS EXPORTS--**PETROBRAS led in exports from January to October of last year, reaching \$1.7 billion of the total of \$22.36 billion exported by the country, according to a survey made by the Foreign Trade Department of the Bank of Brazil (CACEX). Compared to a like period in 1983, PETROBRAS increased its exports by \$542,680,000, an increase of 46.71 percent. Of the 20 companies which exported the most, six of them are state companies. In addition to PETROBRAS they are: Vale do Rio Doce Company (\$725,330,000), PETROBRAS International Trade (\$642,580,000), Sugar and Alcohol Institute (\$465,580,000), National Iron and Steel Company (\$147,400,000) and the Paulista Iron and Steel Company (\$144,890,000). There are also four automobile companies: Fiat Automobiles (\$285,400,000), General Motors (\$197,330,000), Ford (\$167,860,000) and Volkswagen (\$152,620,000). According to CACEX, exports during the same period in 1983 reached \$18,040,000, which means an increase of \$4,310,000,000 this past year, an equivalent of 24.91 percent. [Text] [Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 Jan 85 1A] 8908

CRI: 3342/96

BRITISH VIRGIN ISLANDS

CHIEF MINISTER DISCUSSES TOURISM IN RADIO ADDRESS

Road Town THE ISLAND SUN in English 5 Jan 85 pp 4, 10

[Address by Chief Minister Cyril Romney over Radio Station ZBVI; date not given]

[Text]

Tourism is a unique industry; unique in the sense that the servicing of the needs of tourism demands the involvement of all economic sectors: transportation, construction, agriculture, and various other services. You name it and it can be shown to be involved with tourism. There is probably no other industry that can so effectively and meaningfully pull together the various spectra of economic endeavours, and weld them into the single purpose of creating an environment for enjoyment, leisure and the achievement of relaxation. It is this pervasive quality of tourism that gives it its particular utility as an agent for sponsoring sectoral growth in the vital areas of economic activity. In this respect, countries whose primary economic base is tourism should consider themselves fortunate in having those natural attractions that foster tourism growth. I am of the opinion that tourism, properly struc-

tured and managed, can provide the foundation for sound economic growth in the Caribbean.

If tourism is to be effectively used as a vehicle for development and growth, three broad policy areas must be clearly identified. They are as follows:-

- (a) the type of tourism best promoted to a particular destination given the natural attributes of the country concerned and the strategies proposed to motivate the targeted group;
- (b) the integrity of the product and how it will be sustained locally such as to create a symbolic feedback to reinforce the marketing strategy;
- (c) the creation of a programme that ensures the long-term future of the industry by reposturing the ownership trend such that development progressively becomes synonymous with local effort and skills.

The type of tourism that might best be promoted in the British Virgin Islands, for example, cannot necessarily be done for Dominica. One of the functions of umbrella Caribbean tourism organizations must be not only to promote the Caribbean overall as a preferred destination, but to assist the various Caribbean countries in determining the visitor profile best suited to individual countries. Were this to be done with some degree of precision, then those aspects of differences between the countries could be transformed into marketing strengths for the group by emphasizing the smorgasbord of Caribbean tourism to vacation shoppers. Unless the individual countries of the group are given this type of assistance, then there will continue to be audible strains of disunity as each country tries to outdo the other in the marketplace in the hope of capturing greater numerical attention.

The identification of the particular type of tourism best suited to a country will enable that destination to plan its tourism infrastructure more effectively. The British Virgin Islands provides a good example of such planning in the case of water-oriented tourism. In the British Virgin Islands you will find some of the

best outfitted marinas in the world, for servicing the clientele of this veritable sailing paradise. In developing the infrastructure for sailing vacations, we have thus reinforced the marketing of such vacations by product enhancement. Once the leading sector has been identified and developed, the growth-planner seeks to diversify and now the British Virgin Islands is gearing up to do in scuba a repeat of what has been done in sailing.

Tourism as an industry is fragile in that, to a large extent, it depends on the whim of the customer. Any sneezing from any one area of the Caribbean spreads germs of concern in the marketplace about the entire region. A threatening political and social environment is not one that is visitor conducive. Caribbean leaders have a regional duty and a responsibility to the region to promote in their various countries those conditions that make for peace, order and good environment. We will not effectively promote tourism in the Caribbean if the area is viewed as a haven for revolutions, abounding crime and abject poverty. Through sectoral linkages, the gains from tourism must be seen to permeate the economic fabric of the country so that tourism becomes associated with an

improvement in the quality of life of the people. In the British Virgin Islands, for example, we encourage local entrepreneurship in all areas that service tourism: air, sea and ground transportation, hotels, rental apartments, food and beverage services, etc. British Virgin Islanders will not merely be the waiters and maids of tourism but leading actors in all scenes of the tourism drama. Tourism, as a significant earner of foreign exchange, must not only be an industry, but an agent of development through sectoral linkages. We must find creative and innovative ways of using Caribbean skills and products to replace the expensive imports that dissipate the net gains of tourism. I am convinced that if breadfruit was available in abundance in the United States, it would have been found in great quantities in cans on the shelves of Caribbean shops. If we are to make real gains and benefit fully from the tasty fruits of tourism, we shall need to pursue quite seriously a programme designed to re-orient our own taste patterns before we are able to work up the enthusiasm necessary to inspire others to dip deeper in what the Caribbean has to offer.



CHILE

MANUFACTURED EXPORTS UP 18 PERCENT IN 1984

Santiago LA NACION in Spanish 24 Jan 85 p 8

[Text] Industrial output rose 8.5 percent in 1984 according to preliminary figures released yesterday by Ernesto Ayala, the president of the Industrial Development Association (SOFOPA), just moments before opening a meeting of the expanded council of the employers union. The physical sales of manufacturing plants increased 6.5 percent for their part.

The meeting was held at the Club Palestino and was attended by some 60 industrialists. Three main issues were analyzed: Economic Prospects for 1985, by Canio Corbo; Chilean Exports, a paper by Ernesto Ayala, and the Role of Private Enterprise This Year, presented by Fernando de Agüero, the vice president of SOFOFA.

Ayala commented that "we Chilean industrialists are convinced that 1985 will not be a bad year, but we are analyzing the figures from the last quarter of 1984, which show some falloff in activity, and this concerns us because we do not want the country to go through another recessionary crisis."

On the issue of exports, the SOFOFA president reported that the prices of export items fell 31 percent last year, which was partly offset by an 18 percent increase in the physical volume of overseas sales.

He emphasized that exports are the country's main vehicle for bolstering its economic recovery and generating the funds to pay off our foreign debt and to diminish over time the size of the loans that the country must request overseas.

He stated that exports ought to double over the next 8 years. Chile's exports total more than \$3.8 billion a year.

Ayala emphasized that the exchange rate policy the government had established has been very effective, keeping the rate realistically high. He went on to say that additional steps ought to be taken to encourage exports, particularly nontraditional ones. In this regard he mentioned tax rebates for domestic inputs; tax breaks for

plants that put out goods for export; income tax waivers when profits are earmarked for investment in export businesses; continued freedom of choice in ocean freightage, and the establishment of export insurance.

SOFOPA Vice President Fernando de Agüero listed four areas or "fields" in which "major decisions affecting private enterprise in 1985 will be made." He was especially emphatic in pointing out that this year each private businessman, no matter what the size of his firm, has a responsibility to resolutely defend economic freedom and to strongly reject copying development models that are alien to Chile.

The four areas are: a subsidiary role for the government, "a principle that will be tested in the decision as to the ownership of the companies that belonged to the groups"; the ownership of the state-controlled banks, "inasmuch as the destiny of private enterprise is linked to the existence of commercial private banks as well"; "a forthright defense of the tax reform under way" inasmuch as it will provide the private sector with more funds for saving and investment; and the right to work, which is not unrelated to free enterprise.

8743

CSO: 3348/348

CHILE

LABOR PLAN SEEN IN NEED OF FURTHER REFORMS

Santiago LA TERCERA DE LA HORA in Spanish 26 Jan 85 p 2

[Article by Arturo Venegas G.]

[Text] A series of legal provisions that modified most of existing labor and social security legislation in the country was termed the Labor Plan.

This plan included laws on individual and collective contracts, collective bargaining, union organization and retirement pension systems, as well as other issues.

In 1980 and 1981 I took a graduate-level course for labor lawyers at the University of Chile Law School. Some of the participants pointed out that the Labor Plan was just one more link in the economic policy pursued at that time by the infamous "Chicago Boys," and we warned that it was a mistaken policy. The facts have since proven us right.

Indeed, all of this new legislation was imbued with the spirit of the reigning school of economic thought, which regarded work and the worker as one more item for sale on the market. Consequently, it had to be kept cheap so that the "comparative advantages" could be used and production costs could be the lowest possible.

Moreover, implicit in those norms was the civil law concept of the equality of the contracting parties, which is rejected by modern labor law. In the work contract, unlike other contracts, there is no such equality; therefore, the law protects the worker from his employer in all legislation of the Western world.

To posit free negotiation of an individual labor contract on the basis of the equality of the parties is a sophism, since for socioeconomic reasons the parties are not on an equal footing in negotiating a contract. In practice, the worker can only accept the employer's offer if he wants a job. Hence, labor legislation must set forth minimum benefits for the worker.

Two legal provisions that have recently been rectified illustrate this point. Since 1965, Chilean workers had had the right to severance pay of 1 month's wages for each year worked. The Labor Plan changed this benefit for new contracts, stipulating that the parties could agree to any rate of severance

pay, and only if no such agreement existed would the requirement be for severance pay of 1 month per year, with a ceiling of 5 months. What happened in practice was that much lower rates were established in contracts; in most cases, in fact, no severance pay was called for. It was included in the worker's wages, because the worker, being desperately in need of a job, was in no position to negotiate this benefit.

The same situation prevailed in the case of legal bonuses, because the legislation guaranteeing a mandatory bonus when the company earned a profit was also changed. The new law stated that such bonuses had to be agreed to, and only if no agreement existed would the legal bonus be required.

Now, the recent law 18,372 has rectified these situations. It once again makes severance pay of 1 month per year of service mandatory, although the 5-month ceiling is left in. The legal bonus is once again given to workers without the need for a prior agreement between the parties.

These legal rectifications are a positive and hopeful development, because they reveal a new spirit. The attitude of the failed monetarist Chicago School, reflected in the Labor Plan, has been abandoned.

The so-called labor Plan still needs many more improvements, in the area of labor as well as that of social benefits, if the rights acquired by the workers are truly to be respected.

8926

CSO: 3348/351

CHILE

EXPORT, IMPORT CENTRAL BANK FIGURES ANALYZED

Santiago EL MERCURIO in Spanish 27 Jan 85 p 1B

[Text] Slump in Exports

The analysis of the figures on the physical volume of Chilean exports between 1980 and 1984 shows that, in general, sales abroad have been in a slump in the past 2 years.

According to the Central Bank's quantum indices of exported goods, after the significant drop in 1981 and the subsequent recovery the following year, in 1983 there was practically no growth in the physical volume of exports, and in 1984 there was an increase of just 3.7 percent.

This situation is illustrated in the chart below, which shows the quantum export indices for the first 9 months of the last 4 years.

In the case of mining products, it is noted that the highest level was attained in 1982, followed by a decline of 6.3 percent in 1983. The figure rose again in 1984, by 2.3 percent. It should be pointed out that non-copper mining exports fell in both 1983 and 1984, with the total decline between 1982 and 1984 amounting to 13 percent.

Industrial exports, which rose significantly between 1981 and 1983, rose only moderately last year, by 1.1 percent. This is basically due to the 14 percent drop in physical sales of fishmeal, and to the 3.5 percent reduction of basic metallurgical exports, including oxide and ferromolybdenum and metallic ores. In addition, exports of lumber, paper, cellulose and derivatives are still well below the level attained in 1980, even though they did rise over the last year.

Physical exports of agriculture and livestock products and marine products generally performed more dynamically than other exports in the period in question, particularly in 1984. In fact, this past year they grew by 21.5 percent over 1983, and 49.9 percent over 1980. That improvement, however, is attributed almost exclusively to the sustained growth in agricultural products, of which fresh fruit accounted for nearly 85 percent.

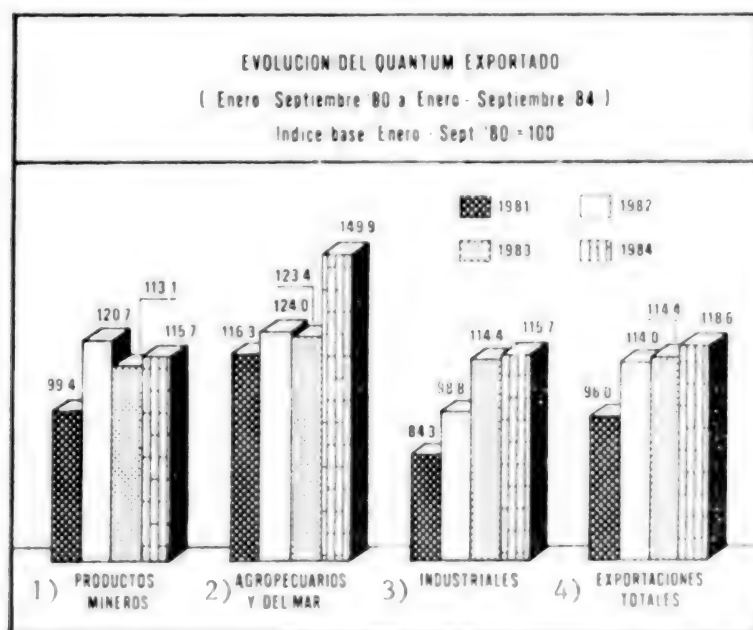
Physical exports of agricultural products have been growing steadily since 1980, with a rise of nearly 74 percent over the last 4 years. This growth is due to the investments made in previous years to boost the development of the fruit-growing sector, which are now beginning to yield results increasingly year after year.

On the other hand, while non-copper exports have been on the rise, the growth rate has been relatively low, especially in 1983 and 1984. In 1984 they climbed by 3.5 percent, less than the 3.7 percent rate registered for exports as a whole.

In addition, if the quantities of exports other than copper are examined, it appears that agricultural products and goods produced by basic metallurgical industries are at practically the same level they were in 1982.

All of the above leads to the conclusion that the physical volume of exports has developed rather unsatisfactorily, and this situation has been particularly disappointing in the last 2 years. What improvement there has been has actually been in the area of fresh fruit; even categories such as fishmeal, oxide and ferromolybdenum, lumber, paper and cellulose have fallen in the last year or have suffered a significant decline in their growth rate.

Development of Export Quantum Index  
(January-September 1980 to January-September 1984)  
Base Index: January-September 1980 = 100



Key:

1. Mining Products
2. Agriculture and Livestock and Marine Products
3. Industrial Products
4. Total Exports

## Imports Structure

The value of Chilean imports reached \$3.737 billion in 1984 (CIF value), an increase of 18.3 percent over the previous year. This growth, however, has been quite uneven in the various categories of products, which has led to significant modifications in the composition of imports.

The value of food imports, for example, fell by 6.5 percent from the 1983 figure, which also represented a decline from the 1982 total. Of the \$491 million spent on food imports in 1984, the largest amounts went for wheat, sugar, oil, tea and milk. Taking into consideration the significant recovery domestic production of wheat and sugar beets has shown, food imports can be expected to continue their decline in 1985, unless some international prices jump sharply. In any case, food products have come to represent a relatively small proportion of total imports, totaling 13.1 percent in 1984.

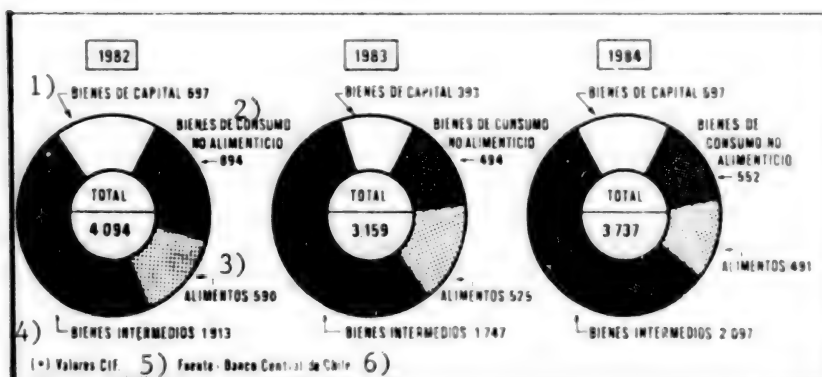
In the case of non-food consumer items, an 11.7 percent rise was observed in the value of these imports in 1984. It should be noted, however, that the \$552 million figure is still substantially lower than the \$894 million total of 1982. In this category of products the most notable are pharmaceuticals, tools, books, automobiles, electronics, clothing and a great variety of other minor imports.

Undoubtedly the most important import category is made up of the so-called intermediate goods. This includes non-food raw materials, spare parts and fuels and lubricants. The imported value of intermediate goods rose by 20 percent in 1984, and the increase was concentrated basically in raw materials and spare parts; imports of petroleum and derivatives stayed at practically the same value as in 1983. Intermediate goods accounted for 56.1 percent of total imports.

Capital goods imports experienced the highest growth rate in 1984, as their value rose nearly 52 percent. Despite this increase, however, the \$597 million total for capital goods imports was \$100 million below the previous year's total. It should be noted that a major proportion of imported capital goods are paid for by means of deferred cover, so that an increase in these imports normally has less of an impact on the country's immediate outflow of foreign exchange.

Finally, it should be pointed out that the sum total of intermediate goods and capital goods imports accounted for 72.1 percent of all imports in 1984, a significant increase in their relative share; in 1982 this figure was 63.7 percent. Obviously, imports of this kind of product are closely linked to domestic productive activities and to investment, so it is difficult to reduce these imports without affecting those variables.

Composition of Imports (\*)  
(Millions of Dollars)



Key:

1. Capital Goods (697)
2. Non-food Consumer Goods (894)
3. Foods (590)
4. Intermediate Goods (1,913)
5. (\*) CIF Values
6. Source: Central Bank of Chile

8926

CSO: 3348/351



CHILE

BILL TO TURN OVER STATE-CONTROLLED FIRMS TO PRIVATE SECTOR

Santiago LA NACION in Spanish 25 Jan 85 p 9

[Text] Finance Minister Luis Escobar has reported that an agreement for financial support from the International Monetary Fund for the next 3 years will hopefully be reached before the end of the month. He also specified that the four percent projected growth for this year "is not negotiable," pointing out as well that creditor banks would be asked for less than the originally projected \$1.7 billion.

The minister indicated that the type of program to be agreed upon has not yet been worked out. He stated, however, that it will most likely be a facilities agreement extended to 3 years, although the idea is to stress 1985. He clarified that the head of the IMF mission, Jan van Houten, who is supposed to return to Santiago next week, was authorized by the fund's management to "discuss with us a program that could lead to a growth rate of around four percent for the gross domestic product, which is what we had proposed at the meetings with the IMF in December."

He added that the negotiations revolve around various targets leading to that goal, including, among others, ranges for the budget deficit, inflation, domestic credit, the money supply, foreign trade, etc. He noted that the purpose of Budget Director Luis Arturo Fuenzalida's trip to Washington was to negotiate a loan from the World Bank; he also took advantage of the opportunity to continue the talks with the IMF, especially on aspects related to the nonfinancial public sector.

Escobar indicated that the negotiations with the IMF would hopefully be concluded by the end of the month, though no date has as yet been set for signing the agreement. Once this has been taken care of, talks with international banks will begin to reschedule the 1985 debts and then to negotiate fresh loans for the country. He indicated that the talks with creditor banks would begin in late February or early March.

Furthermore, he specified that the amount of the required loan, which had been initially estimated at \$1.7 billion for a growth rate of

4 percent, had not yet been determined. He stated that given the rise in copper prices and the fall in international interest rates, it would be lower than estimated.

#### State-Controlled Banks

He also reported that the bill normalizing the situation of the state-controlled banks would be published next week in the Official Gazette, while the bill on the banks in liquidation is being considered by the Constitutional Court. He indicated that the idea is for the companies that are in the hands of the state-controlled banks to be quickly transferred to the private sector. "The aim here," he said, "is to find a way of returning these firms to the private sector, and this is what we are involved in right now."

"The process of returning the banks is not easy," he asserted. "It has to be handled very carefully so that the companies can continue operating and providing jobs. We have tried to see to it that this financial problem does not harm production, and this is obviously going to take some time."

He mentioned that the Central Bank would continue helping these banks for some time, inasmuch as the ones that sold portfolios to the Central Bank have enough time to buy them back, 10 years, during which time they cannot distribute dividends.

The minister indicated that a stockholders meeting would be called for next March in the state-controlled banks to decide on capital expansions, which would then be offered to the shareholders.

Lastly, when asked about the agreement between the Edwards group and its creditors, he reported that the pact requires the debtor to pay back the interest on the total debt at a rate of UF plus 7 percent and to pay off 30 percent of the principal and all of the interest in 10 years. He added that the agreement would take the form of a contract recorded with an official notary.

8743

CSO: 3348/348

CHILE

AUTO INDUSTRY REGISTERS SIGNIFICANT GAINS

Santiago LA NACION in Spanish 24 Jan 85 p 7

[Text] Automobile production was up 49.57 percent in 1984 from the previous year, as 6,747 units rolled off the assembly lines at the nation's plants, according to information in the specialized publication CARTA SEMANAL.

According to the statistics, output in 1984 was 2,236 units more than in 1983. Car production was up 39.55 percent, from 3,001 units in 1983 to 4,188 in 1984, while light truck output rose from 1,510 units in 1983 to 2,559 in 1984, up 69.47 percent.

General Motors Chile S.A. accounted for 51.65 percent of last year's total output, with 3,485 units, while Automotora Franco Chilena S.A. accounted for the other 48.35 percent or 3,262 vehicles.

It bears mentioning that Automotriz Arica S.A., which assembled Citroens, produced just 297 units in 1983 and ceased operations last year.

At the plant level, Franco Chilena boosted its output by 62.45 percent from 2,008 units in 1983 to 3,262 in 1984, while General Motors upped its production by 57.98 percent from 2,206 units in 1983 to 3,485 last year.

According to Central Bank figures, automobile imports declined 17.5 percent during the period from January to November 1984 compared to the same period the year before.

8743

CSO: 3348/348

CHILE

WHEAT PRODUCTION REPORTEDLY HITS RECORD HIGH

Santiago LA TERCERA DE LA HORA in Spanish 24 Jan 85 p 9

[Text] Talca--Agriculture Minister Jorge Prado Aranguiz said that this season's wheat harvest is the largest in the country's history, topping 13 million quintals. This will mean savings of between \$40 and \$50 million compared to last year; that is to say, the harvest will meet two-thirds of Chile's consumption needs.

He made the announcement yesterday, Wednesday, at 1:30 in the afternoon during a brief chat with reporters on his visit to Talca, Chillan and Parral, "where," he said, "I am acquainting myself in the field with the wheat marketing program."

Minister Prado Aranguiz met with millers to review their credit warrants, the amount of grain they are receiving and the prices they are paying growers.

He also met in Parral with a large group of farmers, who asked him what he thought of forgiving their Agrarian Reform Corporation debts.

Impressed

Jorge Prado Aranguiz also paid an unofficial visit to the site of the irrigation canal construction in Pencahue, saying that "I am really impressed, because in just 10 months some 20 kilometers of canals have already been dug." He went on to say that this is the largest and most useful project in the country under the Jobs Program for Heads of Household, adding that the new land would come under irrigation in early 1986.

8743

CSO: 3348/348

CHILE

BRIEFS

NONTRADITIONAL EXPORTS INCREASE--Chile's nontraditional exports experienced an increase of 13% for this year over 1983, in spite of the fact that total exports showed a small decrease (-0.3%) due to a fall in prices and not in volume. This was reported by Ernesto Rendel, Director of ProChile, when taking stock of that institution's activity during this year. In this regard, he stated that the nontraditional commodities which showed a bigger increase in the period of January-August were: metalmechanics (+49%), agriculture (+47%), fishing (+26%), and wine (+21%), while the only one which showed a decrease was nontraditional mining (-31%). [Excerpt] [Santiago EL MERCURIO in Spanish 26 Dec 84 p C-1] 12501

TRAINING SHIP CHANGES COMMAND--The 29 cruises of the training ship Esmeralda have been sprinkled with anecdotes, according to the trip reports and historical accounts collected and summarized by Guillermo Concha Boisier, commander of the ship until last Friday, when he was replaced by Hernan Couyoumdjian Bergamali, an officer of the same rank. [Excerpt] [Santiago EL MERCURIO in Spanish 26 Dec 84 p C-4] 12501

ANTARCTIC FLAGSHIP CHANGES COMMAND--The polar ship "Piloto Pardo" sailed a distance of over 25,000 miles this year, making significant contributions to the national hydrographic development for the benefit of the operational force. This was reported by Cmdr Enrique Maldonado Roi when handing over the command on the helicopter deck of the ship. The emotional ceremony was presided over by the Commander-in-Chief ad interim of the Third Naval Base, Captain Jorge Llorente, with Commander Jorge Vergara Dukic receiving command of the ship. All of the commanders of the units assigned here were present, among them the Commander of Topederas and Misileras and the Navy Lieutenant Benito Mayol, Spanish officer invited by the Chilean Navy. In the first days of January, the "Piloto Pardo" will begin the second trip of the present commission, expecting to cross the Antarctic Circle. Commander Maldonado, who assumed the position of assistant manager for training of the Navy, when addressing the personnel who served with him, said that "above all, beyond the miles sailed and the tasks carried out, this ship has been able to keep up the spirit of Luis Pardo Villalon and of all those others who have preceded us." [Excerpt] [Santiago EL MERCURIO in Spanish 26 Dec 84 p C-3] 12501

7 March 1985

**FOREIGN RESERVES INCREASE**--In spite of the poor performance of the Chilean economy last year, the country's international reserves increased by \$33 million, a report released by the Central Bank indicates. The increase came mainly in December, when reserves jumped \$90 million with the receipt of the last installment of the \$780 million loan that foreign banks granted the country last year. The trend in reserves had been negative up to November; it began in April and sharpened around mid-year, dropping a record \$115 million. After all the ups and downs 1984 concluded with reserves of \$2.055 billion, while international assets (holdings plus liabilities with the IMF) totaled \$2.836 billion. [Text] [Santiago EL MERCURIO in Spanish 25 Jan 85 p B2] 8743

**STEEL PRODUCTION UP**--Production of raw steel grew by 11 percent last year over the 1983 figure, reported Anibal Gomez, secretary general of the Latin American Iron and Steel Institute (IAFA), yesterday. He also discussed the present situation of the national iron and steel industry and its future prospects. The exact production figures are as follows: 689,100 tons in 1984 and 618,100 tons in 1983. The difference is 11.6 percent. Gomez indicated that "consumption of iron and steel products rose by 35 percent last year over the previous year's total, from 361,300 tons to 489,000 tons." He added that per capita consumption of steel in our country is 55.9 kilos, higher than in 1983 and 1982, but below the 72 kilos registered in 1980. Our country's steel exports totaled 150,000 tons in 1984, while imports amounted to 26,000 tons. The secretary general of the Latin American Iron and Steel Institute stated that the growth in the figures for cast iron, produced in the blast furnaces of the factory in Huachipato, is a very significant 9.9 percent, with a volume of 593,000 tons. [Text] [Santiago LA TERCERA DE LA HORA in Spanish 25 Jan 85 p 13] 8926

CSO: 3348/351

COLOMBIA

M-19 REPRESENTATIVE ANALYZES NATIONAL DIALOGUE PROCESS

Mexico City LE MONDE DIPLOMATIQUE in Spanish Jan 85 pp 27-28

[Interview with Rafael Vergara, representative of M-19 in Mexico, by Ivan Menendez; date, time and place not given]

[Text] The peace agreements signed last August by the government of President Belisario Betancur and the Colombian guerrilla organizations marked the culmination of a process that had raised the hopes of everyone in the Americas: After more than three decades of nearly uninterrupted confrontations between the regular forces and irregular combatants, the new Colombian administration had been audacious and competent enough to propose an approach other than repression. Behind its back, however, the most conservative sectors of the bourgeoisie resisted and continue to resist, particularly through the army, this act of political imagination. Last December, it appeared that violence would break out again, given the constant attacks by the armed forces on the camps of the guerrilla organizations. The meaning and future ramifications of this situation are discussed by Rafael Vergara, representative of the 19 April Movement (M-19) in Mexico.

[Question] What experiences has M-19 had in its travels on the road to legality between 30 August 1984 and the end of 1984?

[Answer] For M-19, plunging into open political life through a number of comrades, among them members of the organization's Supreme Command such as Antonio Navarro Wolf, and members of the National Directorate, such as Israel Santamaria, Gerardo Ardilla, Andres Almarales and approximately 100 or 150 other cadres, has represented a challenge and, to some extent, an impetus for our organization to run a political risk and to seek efficiency in risk-taking. We are aware that without that risk, political projects aimed at spreading our influence do not take hold. We have experienced the warmth of the masses and their support for our organization, a support reflected in many ways: from the people who flocked to join M-19 at the decisive moment when the agreement was signed, to the voluntary contributions not only by the low-income sectors but also the middle class of Colombian society.

The central element in this transition to legality has been the provocation, the effort to destroy the positive aspects of M-19's proposals by perpetrating violent acts against us, or by using the mass media in the service of the

oligarchy. It is important to bring up this point because it helps people understand why the army decided to attack M-19 in its camps in southwestern Colombia.

From the moment the agreements were signed, the oligarchy's attitude has been one of rejection. This movement has been headed to a large extent by former President Lleras Restrepo. The idea is, "That does it! . . . They've accepted an armed truce!" That is the old militarist way of viewing things, which was intrinsic to the permanent state of siege that has existed in Colombia. The most prominent men of the oligarchy are worried about having to recognize the existence of an armed popular movement (as we are called in the agreements), and having to accept, even in the mass media, the existence of guerrillas who come to negotiate peace agreements not in defeat and humiliation, but quite the contrary, in their military prime.

The very fact that the guerrillas did not disarm is the point of departure for the right's entire attack on the agreements since they were signed. These forces, through the retired military officers and other sectors, accuse Betancur of "selling the country out to the guerrillas." The fundamental arguments they wield are constitutional: The most important of them is that there can be only one army in national territory; the second argument is that although the "forgive and forget" law was passed for the guerrillas, that same law included a modification of the penal code with reference to bearing arms, increasing the penalty for violators, and this challenges the validity of the amnesty. These are the two basic arguments they put forward, and they have led to profound contradictions within the heart of the administration.

The defenders of the militarist position assert that this period of political liberalization (the amnesty, the peace agreements) will give the guerrilla movement a shot in the arm, and what the government should do is attack it immediately and ruthlessly. Betancur's supporters, however, note that the military repression by the Turbay government resulted in a four-fold increase in the number of insurgents. This position is reaffirmed by very important Colombian politicians, such as retired General Matayana, one of the major figures in the counter-insurgency during the era of violence and then throughout the 1960s and part of the 1970s.

The contradiction has other, even stronger manifestations, revealed directly by President Betancur when at the inauguration of some oil wells in Arauca he openly denounced the coup attempt by some sectors of the Liberal Party and the Conservative Party, who pressured the defense minister, General Vega Uribe, to convince him that the country was in total and absolute chaos and he had to put a stop to it. Obviously, this offensive is backed up by some of the principal organs of the mass media, to the point that editorials in newspapers such as EL ESPECTADOR even claim that there is a "power vacuum" in Colombia.

The peace agreements helped exacerbate the contradictions in Colombia. They made possible social realignments that the country had not seen so clearly in a long time. At present we are seeing a violent reaction by one sector of the oligarchy, through its mass media, the military and the economic trade associations. The oligarchy is regrouping, and the country is seeing its true colors. On the other hand, we see the sector headed by Betancur as a modern



sector of the bourgeoisie. We would venture to say that this is a confrontation between the modernizing Colombian bourgeoisie and the old, obsolete, privileged oligarchy that does not want to lose a single one of its privileges. In the third place, the popular or democratic movement, with the exception of the National Liberation Front, which rejected the peace agreements, has shown a congruity of interests with regard to the national dialogue process.

[Question] Why has this national dialogue generated so many contradictions?

[Answer] The basic reason is that by beginning to examine the country's principal problems and seek solutions, the national dialogue is proposing a new version of the nation-state, in keeping with the country's current historical and political situation. Colombia is governed by a Constitution that was drafted in 1886, with slight modifications in 1936, 1945 and 1968. It does have some democratic elements, but it is based on the concentration of power in a few hands, the same as always. This national dialogue, as a political experiment, in a way involves a search for a different form of nation-state, in which the 65 or 70 percent of the population that has remained silent will begin to express itself. This is obviously upsetting to the sectors of Colombian society that have kept the country in a state of siege, repressing any kind of expression of the popular will.

[Question] What role has M-19 played in this process?

[Answer] I daresay that M-19 has played the role of stirring the consciousness of the masses. This has drawn so much attention that even sectors of Colombian society with significant economic and political influence are beginning to express agreement with some of the proposals M-19 is presenting to the country.

[Question] What is the nature of these proposals?

[Answer] They are democratic, nationalist and revolutionary. This search for a consensus, for a multi-class solution that will enable us to break away from the obsolete dual-party system which is preventing the country from moving at the proper pace, will necessarily prompt a violent from the enemies of the peace process in Colombia. Moreover, although the dialogue as a proposal has garnered a lot of support, as a practical process it will be burdened with a bureaucracy that will prevent it from being as politically efficient as it needs to be, and perhaps will pose other problems as well.

In the struggle to implement the dialogue, we have experienced very tense and difficult moments, such as when Antonio Navarro Wolf, Alfonso Jacquin and Comrade Chara Lara were arrested for carrying weapons. These were M-19's negotiators for the national dialogue. Days before, the Popular Liberation Army (EPL) had announced its withdrawal from the agreements because its forces were still being harassed by the army. It is clear that throughout this period the government was being two-faced. On the one hand, President Betancur wanted to promote the process--we must give President Betancur credit for inspiring this process even though certain elements did not necessarily support it--and on the other hand, the political right, led by the military among

others, was reacting negatively. As is well known, when Antonio Navarro was arrested, M-19 did not advocate calling off the peace talks at all; rather, it called for suspending the dialogue until he was released. This took place after 10 days, thanks to the president's intervention and the reassertion of his authority over the military, as well as the fact that there were insufficient grounds for Navarro's detention. In addition, there was strong pressure from the public for the release of our comrades.

We should also view all of this in light of the fact that a few days after the National Dialogue Commission was installed, preceded by heated political battles, the IMF delivered its report on Colombia. This was obviously a negative report, focusing on the abrupt decline in foreign reserves and the huge fiscal deficit. Among other things, it advocated imposing conditions on loans extended by the Inter-American Development Bank. President Betancur responded that in the interest of national sovereignty, he would not accept the IMF's recommendations. Actually, these recommendations have begun to be implemented and, among other effects, they will make it very difficult to undertake any reforms proposed through the national dialogue.

We must also note, and this is very important, that this whole time the military has not stopped buying new weapons. It has continued its preparations to launch an offensive against the guerrilla movement on a moment's notice.

[Question] How valid will any agreements resulting from the national dialogue be?

[Answer] Although the Constitution provided for situations such as this, that is, that at some time in the future its principles might be questioned or modified, the problem is not limited to formalities or legalities, but depends on political will; that is the key. How does political will function? Well, on the side of Betancur and his followers, it is a question of seeking a solution different from that constantly pursued by the oligarchy to combat the counter-insurgency; on the side of the guerrillas, it is a question of preventing a civil war, in other words, containing the militarist sectors of society and appealing to the nationalist conscience, even among the bourgeoisie, to put an end to a confrontation with a clear commitment by the ruling sectors of the country to carry out reforms, some of them far-reaching, in the political, economic and social structure of Colombian society. Otherwise, the agreement that has been signed would make no sense.

[Question] Do the attacks on M-19 in Corinto mean, then, the end of the cease-fire, of the peace agreements, and of the national dialogue as such?

[Answer] On 24 August, when the agreements were signed, the 19 April Movement did so in two cities of the country: in LoboHuila, where the commanders of the southern front signed agreements with delegates from the government, the peace commission and the dialogue commission; and in Corinto Cauca. These agreements state that the president as well as the commanders of the popular armed movement will call a "cease-fire" for their troops in order to seek reform through dialog. But why were they at these places? Because the nearby regions had been combat zones before the agreements were signed. It is

obvious that we have every right to remain near the places where we had been fighting, so that cadres of the political-military organizations can go to the public plazas and fight against the oligarchy, on their own territory, for the support of the Colombian people. This is closely linked to the philosophy that has been applied to understand the insurgency and to reach the agreements. There are objective conditions: Social inequalities generate insurgency; if the objective conditions disappear, the insurgency disappears. We state it in other terms: The problem is not the weapons, but the attitude of the people behind them. So the commitments are very clear: "No weapons will be turned in," and obviously, the troops of the insurgent forces need places where they can be quartered. From the beginning, the military viewed this with a lot of mistrust, and from the first moment it began moving its reserves closer to the reserves of the guerrillas in the specific regions. In the southeastern part of the country (the organization's southern front), a few days after the peace agreements were signed, there was fighting with the army, and both sides suffered casualties.

In the case of Corinto, the situation is much more serious, given the vociferous protest by the oligarchy of the Cauca Valley, who consider the presence of M-19 in that region a threat to their strategic interests. But those are the terms of the agreement. As political attacks are stepped up, the army will step up its harassment of our camps accordingly, to the point that more than 4,000 men, with artillery helicopters and planes, will attack the positions of the M-19 organization in the vicinity of Corinto.

8926

CSO: 3348/362

GRENADA

GOVERNMENT OUTLINES PROGRAM TO IMPROVE ROADS BY 1986

Kingston THE DAILY GLEANER in English 21 Jan 85 p 7

[Text]

ST GEORGE'S, Grenada, Jan 20, CANA:

The six week old government in Grenada is planning to implement a major road works programme and a digital system for the state-owned telephone company, Minister of Communications Dr. Keith Mitchell said.

He told CANA a number of new roads would be constructed linking the capital, St. George's, with northern parishes where most agricultural crops are grown. He said the United States Agency for International Development (USAID), the European Development Fund (EDF) and other international agencies would be providing financing.

"We believe that the problems with roads in this country would be solved in a great way by the end of 1986," he added. Many of Grenada's roads have potholes and a major road works programme is seen as vital to economic development.

Dr. Mitchell said construction of feeder roads would be aimed at stimulating the agricultural sector, Grenada's main source of foreign exchange.

"We have to retain some people to manage the road projects well so that when we receive money from donor aid people they would recognise that we are spending their money properly, and that we are not just collecting money and wasting it," Dr. Mitchell added.

On the telephone service, he said the government was looking at the possibility of providing subscribers with a cheap digital system to replace the current "analogous" system.

CSO: 3298/369

GRENADA

NEW SENATORS LEAVE GULP, MIGHT FORM NEW PARTY

Bridgetown CANA in English 2105 GMT 8 Feb 85

[Excerpts] St Georges, Feb 8--Three senators appointed by new opposition leader Marcel Peters today announced that they had left Sir Eric Gairy's Grenada United Labour Party (GULP) and were considering forming a new party. Oliver Raeburn and Albert Forsythe, ministers in the last GULP administration along with former Labour Commissioner Franklyn Philbert, made their disclosure to CANA shortly after attending the first regular sitting of the Senate for almost six years.

The announcement by the three was made against the backdrop of a decision by the GULP executive to expel Peters from the party after he decided to take his seat in Parliament, breaking the boycott imposed by the group over alleged election rigging.

Gairy told CANA that if Raeburn, Forsythe and Philbert were appointed senators, the GULP executive would meet on Wednesday to take a decision on their future with the party.

We have not waited for their meeting. We have declared ourselves to be independent. We would go along with Mr Peters and that is it, Raeburn told CANA.

Raeburn, who is the spokesman for the trio, is a former minister of agriculture and education, Forsythe is a former minister of communications and works while Philbert, a retired civil servant, was the labour commissioner under the leftwing People's Revolutionary Government (PRG).

The three ex-GULP members said they were considering the possibility of forming a new political party.

Forsythe, who like Raeburn was held as a political prisoner by the PRG, said the fact that the party expelled the leader of the opposition from among its ranks meant we have been expelled. If the leader who appointed me (as a senator) is being expelled from the party, it is obvious that we would have to associate ourselves with him otherwise we would be betraying Mr Peters. We want it to be known that we are independents and not members of the GULP. We have left the party, he added.

CSO: 3298/388

GRENADA

LIST OF MINISTRY PORTFOLIOS, SECRETARYSHIPS REPORTED

St Georges THE GRENADIAN VOICE in English 26 Jan 85 p 8

[Text] WE are pleased to bring our readers today the promised list of Ministries and Parliamentary and Permanent Secretaries. We had hoped to also provide, for your information, the location of offices, but we have not yet been able to obtain all the information:--

PRIME MINISTER AND MINISTER OF FINANCE, Herbert A. Blaize. PORTFOLIOS: Finance, Planning, Trade and Industrial Development, Home Affairs, Security, Carriacou Affairs and Information.

PARLIAMENTARY SECRETARIES: Senator Franklyn Bullen (for Carriacou Affairs) and Senator Bennet Andrew.

PERMANENT SECRETARY: N.E.W. "Bunny" Fletcher.

MINISTER OF FOREIGN AFFAIRS AND LEGAL AFFAIRS: Ben J. Jones. PORTFOLIOS: Foreign Affairs and Legal Affairs. PARLIAMENTARY SECRETARY: Tillman Thomas (for Legal Affairs).

PERMANENT SECRETARY: Miss F.A.I. Rapier.

MINISTER OF AGRICULTURE, LANDS, FISHERIES AND TOURISM; George I. Brizan.

PORTFOLIOS: Agriculture, Lands, Fisheries and Tourism.

PARLIAMENTARY SECRETARY: Felix J. Alexander.

PERMANENT SECRETARY: Mrs. Ruth Rahim.

MINISTER OF LABOUR, SOCIAL AFFAIRS AND CO-OPERATIVES Dr. Francis R. Alexis.

PORTFOLIOS: Labour, Social Affairs, Co-operatives and Local Government.

PARLIAMENTARY SECRETARY Senator Norton Noel.

PERMANENT SECRETARY: Osbert Benjamin.

MINISTER OF EDUCATION: George J. McGuire, PORTFOLIOS: Education, Culture, Youth Affairs and Sports. PARLIAMENTARY SECRETARY; Alleyne Walker.

PERMANENT SECRETARY: Mrs. Elma Thorne.

MINISTER OF HEALTH AND HOUSING: Daniel C. Williams. PORTFOLIOS: Health, Housing, Community Development and Women's Affairs. PARLIAMENTARY SECRETARY: Mrs. Pauline Andrew.

PERMANENT SECRETARY: Mrs. Margaret Dowe.

MINISTER OF COMMUNICATIONS and WORKS: Dr. Keith Mitchell. PORTFOLIOS: Communications, Works, Public Utilities, Civil Aviation and Energy.

PARLIAMENTARY SECRETARY: Kenny Lalsingh.

PERMANENT SECRETARY: Otto R. George.

GRENADA

OVER 2,000 JOBS TO BE AVAILABLE IN ROAD-WORK PROGRAM

St Georges THE GRENADIAN VOICE in English 26 Jan 85 p 1

[Text]

OVER 2,000 Grenadians would be employed in the Government's massive island-wide road and construction project, which is estimated to cost about 100 million EC dollars, In an interview with Dr. Keith Mitchell, Minister of Communication, works, Public Utilities, Energy and Civil aviation, last week, he told GRENADIAN VOICE that his ministry is "seriously planning" so as to bring a solid and proper network of road throughout the nation.

Construction of the road from the International Airport to St. George's

is already in progress. Walkways will be built on both sides so as to modernise the road. The St. George's to Springs is also under construction. Shortly repairs and construction work will begin on the western side. This will take in, from St. George's to Grenville, passing Gouyave and Sauteurs. The eastern main road which is also in progress, is in its final stages of work. This takes in the road from St. George's to Grenville, passing through St. Paul's and St. David's onto Grenville, Other roads to



receive attention are the Beaulieu and the Grand-Etang roads.

Funding for these projects will come from some international funding agencies, which include, United States Agency for International Development (USAID), European Development Fund (EDF) and the Caribbean Development Bank (CDB) among others. The minister said, this kind of work would require technical experts, and as such, the Government would be looking to the United States and Jamaica for help in that area.

The minister is very optimistic and said that "by the end of 1986, there will be completely new roads all around the island."

Referring to Carriacou and Petite Martinique, the minister said a comprehensive road repair and con-

struction project will begin after a complete study and evaluation is finished. Among the other areas the Government will undertake, are the refurbishing of the Market Square in St. George's, putting proper toilet facilities. Also the refurbishing of Courts house throughout the state, upgrading the General Post Office and the possible establishment of a television station in Grenada.

To realise all these projects in Grenada, Carriacou and Petit Martinique, the Government must plan well and also ensure that they implement the plan properly. Certainly, in doing this our nation will develop. This is by no means an easy task. Our people, therefore should be patient, working hand in hand with the Government to ensure our nation's development.



GRENADA

BRIEFS

JAIL FOR LAWYER--ST. GEORGE'S, Tues., (Cana)--PROMINENT Grenada lawyer, Derek Knight, was jailed today for six weeks and fined \$5,000 for criminal contempt of court, arising from an incident here last week. The Queen's Counsel was also ordered by the judge, James Patterson, to pay costs of \$1,000. Knight's lawyer immediately served notice of appeal. The charge against him was heard in open court yesterday. According to the charge sheet, at the conclusion of a hearing in chambers before Patterson last Wednesday, Knight said to the judge that he would not reappear before him, because it did not make any sense. "I consider you rude and insulting, and I will not have you before me until you apologise," Patterson was quoted as telling the attorney in reply. Knight refused to apologise, the court heard, and several exchanges followed. In his defence, Knight denied using the words complained of. The former Cabinet Minister, who was arrested last Friday and released later the same day on \$1,000 bail, said he found the procedure used by the judge to bring him to court unprecedented in law. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 6 Feb 85 p 5]

CSO: 3298/388

MONTserrat

GOVERNOR DALE DEPARTS; PAPER QUESTIONS HIS ACHIEVEMENTS

Plymouth THE MONTserrat TIMES in English Christmas 1985 p 1

[Article by H.R. Bramble]

[Text]

David Kenneth Hay Dale, Montserrat's fourth British-appointed Governor, is gone.

He inspected his last guard of honour in bright sunshine on the morning of December 18th at Blackburne Airport bade farewell to Legislators, senior civil servants and selected friends and flew off to his retirement residence in the cider-producing district of Somerset, England.

When Mr. Dale was sworn-in just over four years ago, he was hailed as the Governor who was sent to lead this 39½ square mile colony of 12,000 people to nationhood. But he left us very much a colony and with undisguised disgust at the abuse of political power over the past four years.

How will history judge Governor Dale? Many agree he was knowledgeable, highly competent and hardworking. Many give him credit for the increase in British aid funds to Montserrat between 1980 and 1983.

But as the ex-governor contemplates his entry into municipal politics in Britain, some knowledgeable Montserratians argue that he got too much involved in the politics of Montserrat.

Speaking to top civil service managers in 1982, Governor Dale said: "We are on the verge of the take off to economic independence."

But when the curtain came down on his tour of duty, Ministry of Finance

technicians were haunted by the word "CUTBACK," and some government employees seemed unsure that salaries and wages would have been paid this month.

Did Governor Dale mistake the shadow for the substance?

It is generally agreed that the high tide of Governor Dale's career here came during the middle of this year with the Memorandum that vividly and dramatically highlighted Chief Minister John Osborne's queer handling of the Little Bay development negotiations.

The Speaker of the Legislature, the Honourable Howard Archibald Fergus, has been once again sworn-in as Acting Governor.

CSO: 3298/380

MONTserrat

AMERICAN UNIVERSITY OF CARIBBEAN TAKES GOVERNMENT TO COURT

Plymouth THE MONTserrat TIMES in English 14 Dec 85 p 1

[Text]

Montserrat's Offshore Medical School, the American University of the Caribbean, has asked the High Court to decide whether Government's \$120,000-a-year license fee is a breach of the tax concessions granted to the project in 1978.

A.U.C.'s President, Dr. Paul Tien could not be contacted today, but reliable sources say the University's legal counsel, John Stanley Weekes, resorted to the High Court because Attorney General Odel Adams, in a letter dated November 21, 1984, ordered the administration to pay EC\$120,000 within one month.

Mr. Weekes was Attorney General of Montserrat on January 30, 1978 when the

Government of the then Chief Minister, Mr. P. Austin Bramble indicated to Dr. Paul Tien in a letter signed by Mr. K.A. Cassell of Government's decision to give the project a number of concessions including a "15-year tax holiday."

The concessions also included waiving of tax on interest on deposits for students and duty-free importation of all materials, equipment etc. related to the construction and operation of the University.

But as soon as AUC began operating from Montserrat in 1980, Chief Minister John Osborne's PLM Government asked the University to pay a license fee of EC\$1000 and charged each student a permit fee of US\$500 per year.

In 1981 the Osborne Government increased the license fee to EC\$60,000 a year.

In 1982 when the John Osborne progression reached EC\$120,000, A.U.C. protested and paid only the \$60,000 it had been charged the previous year.

Negotiations got underway between Mr. Weekes and Financial Secretary John E. Ryan. It is alleged that Mr. Ryan agreed to "reduce the license fee to a reasonable level in 1984 if AUC paid EC\$120,000 for 1983, and EC\$80,000 balance for 1982.

On Mr. Weekes' advice AUC paid EC\$120,000 to the Treasury; but AUC is reportedly angry about Government's 1984 decision to stick to its EC\$120,000 demand based on the institution's "financial gains in recent years."

Sources say A.U.C., which is largely responsible for the "good times" the Government once boasted about, thinks Government's attempt to nationalise the University and its breach of faith on taxation have greatly damaged the island's credibility with potential investors.

CSO: 3298/380

MONTSERRAT

UNEMPLOYMENT A CONCERN AS CHRISTMAS DRAWS NEAR

Plymouth THE MONTSERRAT TIMES in English 30 Nov 85 p 1

[Text]

Unemployment is the major problem of many Montserratians as Christmas 1984 approaches.

The Government's Statistics Office could not release unemployment figures this week, but a senior statistician said the figures would certainly show a substantial increase on the previous year.

The last official figures put the unemployment rate at seven per cent of the work force of 5,600.

Government meanwhile has shown no signs of relaxing its austerity policy in respect of employment and unemployed school leavers contacted said this situation adds to their frustration.

The Ministry of Communications and Works' road cleaning operation got off to a late start this year, but the Director of Public Works, Mr. William Gamon said

some twenty one gangs were pushing ahead with the Christmas clean-up.

Mr. Gamon revealed, however, that the PWD's heavy equipment operators were still on the three day week which began in November, 1983.

It could not be ascertained today whether Government intends to increase public assistance payments permanently from this month in light of prevailing hardships.

The public assistance allowance has not been increased during the past five years and when confronted with this fact in the Legislature earlier this year, Chief Minister John Osborne said that his own generosity and Social Security were the answers to the problem.

Since then Chief Minister Osborne has said very little about Social Security and his generosity account at the Treasury.

MONTSERRAT

BRITAIN TO ASSIST WITH ROAD, OTHER BUILDING PROJECTS

Plymouth THE MONTSERRAT TIMES in English Christmas 1985 p 10

[Text] A three-phase road rehabilitation program is under way in Montserrat and Britain is contributing some EC\$2.3 million to the first two phases.

Work began in 1982 on resurfacing 5 miles of road and construction of a bitumen storage tank. The second phase involves resurfacing a further 5.25 miles of road to preserve the existing road network and to prevent deterioration.

In the aftermath of Hurricane David in 1979, during which high seas severely damaged the rubble retaining wall and eroded reclaimed land at Montserrat's main port of Plymouth, Britain financed a design consultancy to ascertain the most effective way of protecting the port from the effects of heavy seas.

Work is to begin shortly on reinstating and strengthening the seaward protections by placing new Stabits and rock foundations. The work is expected to involve some EC\$2.5 million of British aid funds and will greatly reduce the danger to Montserrat's vital import and export facility caused by sea-related damage.

The irrigation system at Lees Estate in central Montserrat was badly damaged following heavy rainfall in 1981, affecting the area's agricultural production.

British aid is now providing some EC\$50,000 for the renovation of the damaged facilities and extension of the system to an additional 5 acres of the estate, thus increasing its potential as agricultural land.

CSO: 3298/380

PERU

# PRIME MINISTER HAS DOUBTS ABOUT AI REPORT

PY051715 Lima DAY-4Z Television in Spanish 0200 GMT 5 Feb 85

[Text] Prime Minister Luis Percovich today raised doubts about the fairness of Amnesty International [AI] by pointing out that 53 of those whom AI reported missing in Ayacucho have registered in the new electoral registry since the dates of their alleged disappearances. Percovich noted that reports such as the AI report damage Peru's image, which is difficult to repair. He reiterated that human rights are respected in Peru.

[Begin recording] Regarding the latest AI report, we have conducted some investigations, as we did on the prior report, only to find out that some cases were not true. We came up with preliminary information that is quite interesting. I have with me the AI report in which several persons are reported as missing, although the reports were not verified in 80 percent of the cases. This means that AI has been told about these cases, but the organization itself has had no chance to verify them. We know from AI correspondents that AI has no obligation to verify. It simply gathers information. This is not fair because if AI does not verify the cases it reports, how can it so easily disseminate them throughout the world, causing the country so much damage that it is difficult to repair?

The latest AI report has been compared with electoral registries, both former and current ones. In the current electoral registry we have already found the names of 53 persons whom AI reports as missing. What is more important, these registrations were made after the dates given for their disappearance. The AI report notes that the list of missing persons covers the period from 6 January 1983 to 4 October 1984. We have the cases of Miss Julia Vilches Castillo, who registered in the new electoral registry on 26 October 1984, and of Miss Maria Lourdes Noa Balbion, who registered on 26 October.

It seems that there is something wrong in this AI report, because at no time does it call the Shining Path elements terrorists. It calls them guerrillas, when we know that they are not guerrillas but terrorists; assassins who are cruel to women, old people, and children. These are not the characteristics of guerrillas. Guerrillas are men who fight for ideas, or an ideology, or noble purposes. Terrorists cannot be identified as guerrillas.

Another point that draws our attention in the AI report is the case of Jesus Oropesa Chonta, a case that was clarified when I was interior minister. Everybody in Peru knows that this case was clarified thanks to the prompt action of the Interior Ministry. It not only verified that Oropesa Chonta had been detained and what had happened to him, but also sent a special commission which found the place where he allegedly had been killed, discovered the alleged criminals, and turned them over to the court. I submitted a written and oral report to the Chamber of Deputies and the Senate.

CSO: 3348/403

PERU

BRIEFS

PORT WORKERS ON STRIKE--More than 5,000 workers of the National Ports Enterprise (ENAP) yesterday declared an indefinite strike, demanding fairer salary increases in keeping with the cost of living. As a consequence of this nationwide strike, 19 ships in 14 sea and river ports, among them the ship ("Boyonsor") with 270 containers in El Callao port, are paralyzed. [Text]  
[PY201510 Lima Radio del Pacifico in Spanish 1200 GMT 20 Feb 85]

CSO: 3348/403



ST CHRISTOPHER - NEVIS

TAIWAN CONFIRMS GIFT OF AGRICULTURAL EQUIPMENT

Basseterre THE DEMOCRAT in English 12 Jan 85 p 10

[Text] The Prime Minister, The Rt Hon Dr Kennedy Simmonds acknowledged the confirmation of Resident Chinese Charge d'Affaires, Mr George Tuan, that U.S. \$40,000 worth of Agricultural Equipment will be received from the Republic of China by St Kitts and Nevis before the end of February, in pursuance of a bilateral accord for Technical Co-operation.

The announcement is in keeping with a commitment contained in the accord which specifies the provision of Agricultural and Irrigation Equipment produced in the Republic of China to a total value of U.S. \$180,000.

A list of the much-needed equipment was identified by the Ministry of Agriculture here, but owing to the immediate unavailability of all of these items, the Republic of China has honoured its commitment under this accord by handing over a cheque in the sum of U.S. \$140,000 to Prime Minister Simmonds, for Government to purchase the remaining machinery elsewhere.

The Prime Minister has requested Mr Tuan to convey Government's appreciation for the action taken by the Republic of China to facilitate Government's rapid implementation of its agricultural diversification programme for Small Farmers.

CSO: 3298/381

ST LUCIA

## OPPOSITION SLP LEADER HUNTE OPTIMISTIC ABOUT FUTURE

### Stabilized Leadership in SLP

Castries THE WEEKEND VOICE in English 12 Jan 85 p 2

[Article by Rickey Singh]

[Text]

THE 44 year-old businessman who now heads the St. Lucia Labour Party (SLP), is confident that his party would be the next Government of this Eastern Caribbean island, currently under the guidance of Prime Minister John Compton.

The optimism of Julian Hunte, a name well-known in the island's real estate and insurance businesses as well as in regional cricket, coincides with the mid-term rule of Compton's United Workers Party (UWP).

But UWP officials, aware of how a leadership crisis within the SLP eventually led to the downfall of a Labour Government in mid-term 1982, betray no signs of fear of losing power at the next general elections, constitutionally due around August 1987.

Compton himself, a 58 year old lawyer, who led the country into independence in February 1979 during an uninterrupted 15 year-rule, only to lose power a few months later, promised a recent convention of the UWP to again lead it into another successful general election, the people and God willing.

Hunte, however, regards this as "just Compton's Bravado," claiming that in the face of "worsening social and economic problems, the UWP region has become a government of silence, one that has already run out of promises and with very little to offer..."

Some top government officials, who prefer not to be quoted, admitted that the Compton Administration has little of significance to show since resuming power in 1982.

But they feel that it was still "early days" for the Labour Party to distance itself from the leadership crisis that caused a major political split within its ranks and subsequent loss of power at a general election that had to

be called two and-a-half-years before constitutionally necessary.

In an interview with CANA, Hunte scoffed at suggestions that the Labour Party was still being haunted by its "leadership crisis" of 1982 or that the continuing militancy of George Odum's Progressive Party Labour Party (PLP) — an outgrowth of the SLP — may prove advantageous to Compton especially at a snap general election.

Relaxing in his business office, he explained that he was unanimously elected at the SLP's convention, attended by some 340 delegates who mandated me to re-organise the party and to steer it into the next general election, whenever it is called.

"There is no question of a leadership problem any longer within the Labour Party," he declared, and brushed aside speculations of a possible reunification of Odum's PLP and the SLP, both of which won only three (one and two respectively)

of the 17 parliamentary seats at the 1982 "crisis election." The UWP took 14 of the 17 seats.

Hunte, who is credited as being untarnished in the SLP leadership crisis, and viewed as a moderate politician with unusually firm roots in both the business community and organised labour, said that the Labour party's renewed vigour is best known to our opponents, whether former Labourites or to the UWP — there is no keeping us back from power now, and John Compton knows this but cannot, naturally, admit it."

Starting his first business in 1964, Hunte is himself a success story in this island that depends heavily on income from bananas and tourism. His is not a rags to riches-type story, but one of a native St. Lucian who rose from humble beginnings to make a proud name for himself in the field of business, owning today at least six companies.

Hunte still maintains close links with organised labour, through unions such as the largest National Workers Union (NWU), of which he is a former president, and the Seamen and Waterfront Workers Union (SWWU) of which he is a trustee.

A former Mayor of Castries (1971-72) Hunte became regionally known also through the West Indies Cricket Board of Control (WICBC), of which he is a member, and the West Indies Jaycess, serving as a vice president, while continuing to promote cultural and sporting activities at home.

Like Odum — the man who unsuccessfully challenged Allan Louisy for the leadership of the Labour Party Government of 1979-82 and then helped to bring it down Hunte is a former colleague of Compton.

But he is more than that. He and Compton are married to two sisters, daughters of a former Governor. And he was tied to the UWP for a

number of years before severing links in 1972.

By then he was satisfied that the Labour Party with its pro-socialist ideals as outlined in the constitution of the 34 year-old party, was best suited to run the affairs of St. Lucia.

Yet in 1974, he contested, as an independent, the Castries Central seat against George Mallet, the current deputy Prime Minister of the UWP regime. He lost, and took a political nose-dive for almost five years when, under the shortlived SLP Government, he was appointed, on the initiative of Odum, as chairman of the National Development Corporation (NDC).

Hunte has never been a parliamentarian and his own active links with the SLP are more easily traceable to the post-1982 election period when he became identified with a new strategy for re-organising the party.

The enthusiasm with which the party delegates amended the rules to elect him last August as the unchallenged leader without having a parliamentary seat, was an indication of the SLP's faith in his leadership credentials, said an admirer on the party's executive.

Others also stress that it was a manoeuvre but the party to present itself as an alternative Government with a respected leader who cannot be easily discredited by the opponents of the SLP, and in particular by the very experienced and clever Compton.

Hunte said that with around 3,500 school leavers joining the unemployed market of approximately 25 to 30 per cent jobless in the society, the Compton Government "seems totally incapable of solving this country's problems."

Did he expect an early election? "It does not really matter when it takes place," replied Hunte confidently. "We are going to win it anyway." (CANA)

## Jobs Plan

Castries THE WEEKEND VOICE in English 12 Jan 85 p 5

[Text]

THE Opposition St. Lucia Labour Party has a plan to tackle unemployment in the country.

And according to a statement issued this week by political leader Julian Hunte, the party is to discuss this plan with the public during the course of the year.

Mr. Hunte's statement came in the wake of what he said was "a more accurate assessment" of St. Lucia's unemployment figure of "25 to 27 percent" given this week by Government statistician Mr. Michael Augustine.

Mr. Hunte claims that Prime Minister John Compton had given a figure of 17 percent in his last budget speech and 15 percent at a recent meeting in Barbados.

The SLP statement read:

"The St. Lucia Labour Party welcomes the more accurate assessment of St. Lucia's unemployment figure of 25 to 27 percent, as disclosed in the current unemployment survey being carried out by the Government's Statistics Department.

"The 25 to 27 percent figure, quoted by Government Statistician, Michael Augustine, on Tuesday, January 8, is viewed by the St. Lucia Labour Party as being closer to the real figures than the 17 percent referred to by Prime Minister Compton in his last Budget speech, and the 15 percent he referred to at a recent meeting in Barbados.

"It is the SLP's view that now that the government is beginning to admit the very high rate of unemployment in St. Lucia, it should also admit that growing unemployment since 1982 had been as a result of the failure of its economic policies over the past 32 months since the last general election.

"It is also the SLP's view that the same government responsible for the growing unemployment cannot be the best to reverse that trend without a reverse in its policies. And in that respect, the SLP is already discussing plans to tell and show the nation this year, how it intends to tackle the unemployment problem, in a practical and effective manner, when it forms the next government of St. Lucia."

## Attack on UWP

Castries THE WEEKEND VOICE in English 19 Jan 85 p 1

[Text]

POLITICAL leader of the St. Lucia Labour Party (SLP), Mr. Julian R. Hunte has said that his party intends to produce a "practical programme" of social and economic policies designed to take St. Lucia from the "depths of depression" and hopefully build it so that St. Lucians can have pride in their own country.

Addressing a public meeting Thursday night on the Castries Market Steps — the first since his election as party leader — Hunte gave notice that it was the start of the SLP's political campaign.

He told the small crowd that the SLP was now organized to build "a strong united party based on strong socialist principles." He said "After the trauma of 1982 and the problems we experienced between 1979 and 1982 we set out to ensure that never again in the history of the party will we allow anybody to break up the party...I can assure you that as we go around this country we appreciate the roots of the party sufficient to allow us to have hopes that we can so conduct ourselves and prove to you that we are serious about the work that is ahead of us..."

Adding that the SLP was currently organizing constituency groups in every "nook and cranny" of the island, Hunte said that they intended to produce a selection of candidates who would do credit to the aims of the party.

"As far as we are concerned the leadership crisis is behind us...we are now looking forward to state our purpose and our policy so that hopefully as the time draws near you will have the opportunity to judge for yourselves who your friends are..." he told his audience.

He told the crowd that they should not forget the promises of the ruling United Workers Party (UWP) which said that after six months the economy would be in full swing, jobs would be available, civil servants would have been paid their debentures, tourists would be flocking our shores, foreign investment would be in the coming immediately after they (the UWP) took office, roads would be paved, and that generally, milk and honey would flow in the streets.

in fact today every single St. Lucian is crying or dubious...." he stressed.

CS0: 3298/389

ST LUCIA

## ROW BREAKS OUT OVER ISSUE OF POLITICAL BROADCASTS

### SLP Position

Port-of-Spain EXPRESS in English 1 Feb 85 pp 1, 44

[Text]

CASTRIES, Thursday, (CANA) -- St Lucia's main opposition political party has threatened to follow in the footsteps of counterparts in Trinidad and Tobago and seek a High Court ruling on the controversial question of access to the state-owned or government-controlled media here.

St Lucia Labour Party (SLP) leader Julian Hunte said yesterday the proposals would be put into

effect should the ruling United Workers Party (UWP) government of Prime Minister John Compton fail to come up with a policy on air time for the opposition "within reasonable time."

The SLP stand comes in the wake of what Hunte says was the refusal by the privately owned Helen Television System (HTS) to allow the party time to respond to a recent address.

to the nation by Compton on increases on local motor vehicle license fees.

Hunte said the SLP had written to HTS protesting the commercial station's refusal to accept even a paid broadcast which he said the party had indicated it would pay for.

He told CANA: "In my letter to HTS, I indicated that my party found it difficult to accept the station's position when government ministers and officials of the ruling party seem to have unrestricted and unlimited access to that medium".

The SLP had also lodged a complaint with the local branch of the Caribbean Press Council (CPC) which is empowered to hear complaints made against both the TV system and the State-owned Radio St Lucia.

Hunte urged the government to formulate a definite national policy on information and communication, including a position on accessibility of opposition parties in St Lucia to government-owned media.

Said Hunte: "Our party notes that the opposition in Trinidad and Tobago ... have had to go to the High Court to seek rulings in respect of opposition access to State-owned or government-controlled media, and we want to inform the public that we are now examining legal avenues in this regard should the government fail to come up with a policy within reasonable time".

On an application by the opposition Organisation for National Reconstruction (ONR) the Trinidad and Tobago High Court this month gave the country's only TV station -- owned by the government -- six weeks in which to come up with an official policy on political broadcasting.

## HTS Response

Port-of-Spain TRINIDAD GUARDIAN in English 4 Feb 85 p 5

[Text] CASTRIES, Sun., (Cana)--A PRIVATELY-OWNED television station and the opposition St. Lucia Labour Party (SLP) are involved in a row over the handling of political broadcasts.

The SLP has accused the Helen Television Service (HTS) of refusing it air time to make a political broadcast and of being pro-Government.

But the station said requests to buy air time could not be entertained until HTS had drafted a policy on paid political broadcasts.

It also told the opposition party that it believed in freedom of the Press.

Leader of the party, Mr. Julian Hunte, accused the local television station of refusing to allow the SLP time to reply to a recent broadcast from Prime Minister John Compton on increases in vehicle licence fees.

In a statement, the station reported that a few hours before the Prime Minister's address was broadcast on January 25 Mr. Hunte had sought to buy air time to respond.

According to HTS, Mr. Hunte was told he would be contacted on the matter later that day.

HTS said, however, that Mr. Hunte called again shortly before the broadcast and was informed that a policy regarding paid political broadcasting was being drafted and until this was done his request to buy air time could not be entertained.

HTS claimed Mr. Hunte accused it of using the service to try to keep the government in power.

The station said it believed in genuine freedom of the Press. Adding that in the past it had used several Press releases issued by the opposition party.

CSO: 3298/389

ST LUCIA

# ATTORNEY GENERAL DEFENDS POLICE OVER DEATHS IN CUSTODY

Castries THE WEEKEND VOICE in English 19 Jan 85 p 1

[Text]

**ATTORNEY-GENERAL and Minister of Legal Affairs, Lennard Riviere has said that the death in police custody of Alphonsus Fontenard was being used to destabilise the whole police force.**

While agreeing that the public was concerned, and the matter should be investigated, he pointed out that the subsequent handling of the issue by certain sections of the media was shameful and disgusting.

And Mr Riviere disclosed that by Monday a date should be set by the magistrate for the inquest into the deaths of both men — the other is Ralph Daniel — in the drama.

Speaking at a news conference here Friday the Attorney-General said the whole matter was under investigation and nothing had yet been proven. The question of instant justice was not the style in St Lucia, he said.

He told newsmen that an accusing hand should not be pointed at the police force in general as the affair concerned mainly the three policeman who allegedly escorted Fontenard to Vigie on December 19. The new recruits, he added, had nothing to be ashamed about because Government "was fully behind the force" since it has been doing "a reasonable

job."

But, he said, Government would not sit idly by if things were going wrong in the force. Mr Riviere added that it was in the interest of the force to have the matter cleared up "so that the image of the force could be enhanced...."

The Attorney-General did not support claims by the police that the present traffic code was inadequate to deal with the high incidence of road fatalities in the island.

He said: "I think the problem is with policing our highways to make the police presence felt ... I do not accept that it is the change of the law by itself that will cause our people to respect vehicles — be they pedestrians or drivers."

What was needed, he argued, was to make people aware that vehicles were lethal weapons, though this would be a long term process. Mr Riviere revealed that many licensed drivers on our roads were "virtually illiterate" people who could not even read a road sign.

"I think the time is obviously coming when we would either



have to limit the amount of traffic on the roads or make it a little harder for people to obtain licences. In other words there should be a screening process whereby we weed out persons who we think are illiterate and cannot read good traffic signs."

He also said that it should be made compulsory for persistent traffic offenders' licences to be withdrawn for periods of many years.

He rejected police claims that insufficient vehicles were hampering their efficiency in patrolling the highways to combat crime saying that it was up to them to handle their vehicles more responsibly.

The Attorney-General said there was no doubt in his mind that there was a very high incidence of damage to police vehicles and urged the lawmen to look into that particular area.

And as for the setting up of a traffic court to handle such cases separately Mr Riviere was still negative. According to him: "First, it's going to be an expensive venture in that you need the physical apparatus — court building, magistrate, etc."

CSO: 3298/389

ST VINCENT AND THE GRENADINES

GOVERNMENT-APPOINTED COMMITTEE OUTLINES NEW CULTURAL POLICY

Kingston THE VINCENTIAN in English 18 Jan 85 p 1

[Article by Zan Lewis]

[Text] St Vincent and the Grenadines now has a "Cultural Policy." This has resulted from the recommendations of a Cultural Committee set up recently by the Minister of Culture John Horne.

The policy has six main objectives: (1) to create and encourage the establishment of appropriate institutions for enhancing cultural development; (2) to instill and develop national pride which will create greater commitment, responsibility, self confidence, discipline and a collective spirit; (3) to identify, stimulate and develop the creative potential of Vincentians so as to improve and enrich the quality of life and to promote the image of St Vincent and the Grenadines nationally, regionally and internationally; (4) to inculcate an appreciation for the understanding of the cultures of the Caribbean and other countries; (5) to inculcate in the individual an appreciation of and respect for the aesthetic and functional values of our surroundings; and (6) to preserve and conserve our cultural heritage.

The policy explains that our historical experience has been one whereby colonial tutelage has alienated the majority of our people from a true sense of national pride and self confidence; and this has caused a lack of commitment to and responsibility for national development. This lack of self confidence and national pride is as a result of foreign cultural penetration.

The document presented by the committee notes that a cultural policy should attempt to improve the quality of life of the population. It points out that if coordinated in a systematic and meaningful way, the development of culture can lead to the economic advancement of a country.

According to Horne, the temporary Committee will be retained as a nucleus of a National Advisory Council on Culture but will be expanded to include representatives from the Handicapped, Visual Arts and the National Trust. The Minister said that the Council's duty will be to advise on policy-making in general and to oversee the phase in progressive development of the cultural trust. Generally, he said, the Council will be the watchdog over the operation of the cultural departments.

The Committee which included Blazer Williams, Arlene Keane Chico Ellis, Vera Ann Brereton, Bassy Alexander, Pat Prescod and Tracy Connell held its sessions under the chairmanship of the Minister. It has placed St Vincent and the Grenadines in 7 zonal cultural areas from which to work.

The news was released at a press conference this week. The Minister indicated the intention to appoint a Cultural Officer and establish a centre for the performing arts.

CSO: 3298/381

ST VINCENT AND THE GRENADINES

COMMITTEE ON PUBLIC FINANCING, DEBT REPORTS TO GOVERNMENT

Kingston THE VINCENTIAN in English 18 Jan 85 p 16

[Text]

The Committee on Public Financing and Debt appointed by Prime Minister James Mitchell submitted its final report on Friday 11th January 1985.

It was disclosed that as far as could be ascertained from the available data, of the EC\$189.0 national debt, EC\$154.1 million represented disbursed debt consisting of EC\$65.8 as external debt, EC\$15.5 as debt owing to EOCB the East Caribbean Central Bank and EC\$72.7 million of internal debt represents overdrafts and demand loans from the commercial banking system including the national Commercial Bank. Because of its short-term nature, its size, the high interest charges involved and the precarious financial position of the borrowers concerned, i.e. public sector bodies, the internal debt situation presents serious problems to the country, the committee stated.

However the external loans should not present much difficulty because of their long maturity dates and the concessionary rates of interest involved.

The committee recommends that immediate steps be taken to re-schedule the short term debts owing by the sugar industry ltd and the arrowroot industry association, into long term debts. It suggests that the viability of the former industry be examined with a view to deciding whether

it should be discontinued and that an aggressive marketing programme should be initiated for arrowroot.

Other recommendations include the institution of various measures to collect outstanding arrears owed to central governments and public sector bodies; the initiation of a ceiling on National Commercial Bank overdrafts and unguaranteed loans; the improvement of the financial position of Central Government and public sector bodies through revenue fields and reduced costs so that their dependence on high-interest short-term borrowing would decrease and the liquidity problem of the NCB could be improved.

CSO: 3298/381

ST VINCENT AND THE GRENADINES

BRIEFS

VENEZUELAN FISHING VIOLATION--KINGSTOWN, Tues., (Cana)--THREE Venezuelan fishing vessels, detained here for five days for allegedly fishing in the territorial waters of St. Vincent and The Grenadines, were allowed to leave last night after their owners paid \$100,000 (US) (\$240,000 TT) compensation to the Government, officials said. The owners also agreed to assist in training Vincentian fishermen in Venezuela, as part of an out of court settlement reached yesterday. Taking part in the negotiations were the local Foreign Ministry, Attorney General and Minister for Legal Affairs, Emery Robertson. Venezuela's resident Charge D'Affaires, Victor Croquer, and Dr. Hugo J. Montesinos Castillo, a representative of the Venezuelan Association of Tuna Fishermen, owners of the vessels. The vessels, with a combined crew of 53, sailed out of Kingstown harbour after the remainder of 15 tons of fish had been removed from their refrigerated tanks, also part of the settlement. The vessels contained 150 tons of fish. Captains of the vessels claim that they were heading for the Atlantic, but put into the shelter of St. Vincent's waters to repair a damaged refrigeration tank on one of the vessels. It was the first time that foreign fishing trawlers had been officially detained and fined for unauthorised entry into the fishing zone of St. Vincent and The Grenadines. They were intercepted about seven miles north-west of Bequia, just south of the St. Vincent mainland. The Venezuelan Government has issued a statement here regretting the incident. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 6 Feb 85 p 5]

FEBRUARY BY-ELECTION--The people of East St George constituency will go to the polls on Thursday the 14th February 1985 to vote in a bye-election. The resignation from Parliament of Robert Milton Cato, former Prime Minister, and Founder-Leader of the St Vincent Labour Party has made the bye-election necessary. Nomination day will be Tuesday 29th January 1985. The candidates expected to face the polls are Louis Jones of the Ruling New Democratic Party and Donald Browne of the St Vincent Labour Party. [Text] [Kingstown THE VINCENTIAN in English 18 Jan 85 p 1]

CSO: 3298/381

TRINIDAD AND TOBAGO

COMMITTEE FOR LABOUR SOLIDARITY SEEKS POLITICAL CHANGE

Port-of-Spain SUNDAY EXPRESS in English 27 Jan 85 pp 10-11

[Advertisement]

[Text]

1985 is upon us, and it is customary at the start of a New Year for individuals, organisations and a people to take stock of the situation, to review the progress or lack of it during the previous year, to look forward to the coming 12 months and make the necessary plans.

The Prime Minister in his Budget Speech had an excellent opportunity to perform such an exercise. But while he spoke at length about the international scene he failed to talk about Trinidad and Tobago and what has been happening to the lives of ordinary people over the past period.

What does an examination of 1984 reveal? In one word CRISIS. Even the smallest child understands that the economy is in deep crisis. Over the past three years tens of thousands have been retrenched, the vast majority have not found permanent employment since. No sector of the economy escaped retrenchment. Oilworkers, Sugar workers, workers in manufacturing, construction, store, office and hotel workers, workers on agricultural estates, government daily paid, public servants, teachers. This means thousands of people WITHOUT the income needed to feed, clothe, house and educate their families. Unemployment means hunger and destitution. The situation is further compounded by the addition to

the job market every year of some 10,000 youths who leave school with expectations of and the right to employment.

The standard of living of working people has been affected by high rates of taxation, the imposition of surcharges, rapidly increasing prices resulting from the removal of subsidies on basic goods on the one hand, and the greed of merchants on the other. To make matters worse employers are intent upon and have succeeded to some extent in imposing wage restraint on workers. Over the next three years workers' real standard of living will fall. The long arm of the International Monetary Fund (IMF) operating as an International Ministry of Finance is being felt. And as in other countries under IMF policies destitution of the working people is inevitable.

All other economic indicators reinforce the picture of crisis. Oil production and oil prices continue to fall. Refinery throughput is at its lowest possible level. Production in most other areas -- export agriculture, manufacturing, energy based industries etc. -- has not improved and in some cases has declined. Foreign exchange earnings have declined and in order to balance payments the Government has drawn down on its reserves. Not much is left. Government revenue has fallen and it cannot balance its budget. Indeed 1985 may very well find the Government unable to pay its bills. The International Trust Ltd., crisis was just the tip of the iceberg in the financial crisis and it won't take much to have the entire system collapse. The 1985 Budget has done nothing to alleviate these problems.

#### BARBARISM

The quality of life of people, despite the oil boom, has not improved. Children die in the hospital because of faulty equipment, and medical care has not developed while we pay a health surcharge. Everyday there is a problem in some school or the other forcing parents or teachers or both to protest. And this is just symptomatic of the general crisis in education.

Transportation is chaotic and the traffic jams just as frustrating, particularly in the East West Corridor where the bulk of the population lives.

The Social crisis is even more pervasive. Mental illness, suicide, murder, violent crime, drug abuse, family breakup are the order of the day. We cannot be progressing as some would have us believe by direct dialling telephones to New York when women get raped or mugged while walking to visit their next door neighbour. The social crisis is affecting the youth in particular. There is an absence of direction, of something positive to be committed to, there is no loyalty to anything but the individual, there is nothing to aspire towards.

The 1985 Budget offered absolutely no solutions to the crisis. All the problems that presently exist will simply get worse. Working people will experience increased hardships, while the rich enjoy luxury. Indeed the 1985 Budget has been well described as a "prescription for unrest".

What is the most apt way to describe the direction that the country, the region and the world appear to be heading? Again in a word. BARBARISM. What else can describe extreme poverty in the midst of opulent wealth; or famine for millions while food is burnt to keep prices high; or state brutality against the people; or the senseless arms race and the possible holocaust of a nuclear wipe out; or violence, corruption and a lack of respect for people's lives and civil liberties.

But is there an alternative to Barbarism? To this we say loudly and unreservedly **YES. AND THAT ALTERNATIVE IS THE BUILDING OF A NEW DEMOCRACY EXPRESSIVE OF THE WORKING PEOPLES POWER.**



## ECONOMIC SYSTEM BREEDS BARBARISM

In a paid advertisement published in the daily newspapers in September 1982 the Committee for Labour Solidarity not only described the worsening economic and social crisis but stated that *"The answer is to be found in the nature of the economic system."*

*In the way that the colonial and neocolonial system has been historically organised and developed the economic operations of the various colonies or underdeveloped countries have been integrated into the framework of the imperialist economies. And in the imperialist economies there is a deepening crisis ... Already a crisis of the proportions of the Great Depression of the thirties is not far off.*

*Trinidad and Tobago's crisis is therefore the result of our being totally integrated into the imperialist system. Our oil is controlled by foreign multi-nationals (AMOCO, Texaco), and what they do in response to THEIR CRISIS AFFECT US.*

*So tied up are we that the content of television shows, films, advertising and, very importantly the news reported in the press is overwhelmingly foreign. Hollywood dominates the screens, Associated Press and Reuters determine what's news and Madison Avenue controls numerous ads. As a result values, tastes and views are shaped by those in control of the board-rooms of the imperialist countries.*

*It is therefore NOT CORRECT to blame workers, or trade unions for the crisis. How then are we to interpret the recent spate of attacks on the working people? Why has the Industrial Relations Act (IRA) been used with such ferocity? Why the demands of big business spokesman "Sunday Guardian Special Correspondent" for curbs on trade unions? What has given rise to all the talk about "excessive wage demands," "falling productivity," "absenteeism" etc, etc."*

## WHY THE ATTACKS ON WORKERS?

In our Statement of Intent we said that *"politics is an activity, a collective activity: the collective activity of ordering and regulating the economic and general life of a society to serve the material and other needs of the people. But the people, in modern as well as ancient society, are split up into classes, which have and pursue particular, different, indeed, conflicting economic interests. Politics, therefore, necessarily involves the struggle of classes in pursuit of their respective interests. Since in modern society this function of ordering and regulating is assigned to the state (parliament, civil service etc.) politics also necessarily involves a struggle for capturing the power of the state. One means of obtaining state power is by elections. But history (ancient and modern, faraway and nearby) demonstrates that state power has also been obtained by a variety of other means, some involving the use of violence, bringing about change reactionary or progressive, reformist or revolutionary. The use that is made of state power differs depending on the class outlook of those who wield it. In the main, the state power protects and serves the interest of the class or classes that own and control the economic wealth of the society."*

As we said in 1982 "THE VIEWS OF THE BIG BUSINESS SPOKESMEN THE STANCES OF THE MULTINATIONALS AND THE POSITION TAKEN BY THE WIELDERS OF STATE POWER ARE BEING TAKEN IN DEFENCE OF CERTAIN CLASS POSITIONS IN PURSUIT OF CERTAIN ECONOMIC INTERESTS. THEY ARE DEFENDING THEIR POSITIONS AS OWNERS OR CONTROLLERS OF CAPITAL.

INDEED THEY WILL SEEK TO PUT THE BLAME FOR A CRISIS THEY CREATED ON THE WORKING PEOPLE. THE SOLUTION BEING PUT FORWARD BY THE OWNERS OF CAPITAL AND THEIR SPOKESMEN IS TO ATTACK THE WORKING PEOPLE AND

INVOLVE THE SOCIETY MORE DEEPLY INTO THE SYSTEM THAT IS THE CAUSE OF THE PROBLEM."

The view of the Committee for Labour Solidarity is that this attempt by the owners of capital to deepen and strengthen the capitalist system at the expense of the working people is nothing new. Once again we refer to our Statement of Intent published in 1981 where we stated, *"This appraisal exercise disclosed that the political history of Trinidad and Tobago over the past twenty-five years of PNM electoral domination is the story of the conflict between the aggressive emancipation movement of the working people from below and the defensive Social Settlements of the ruling classes from above. Significantly enough the peak junctures of this emancipation movement have occurred in years immediately preceeding those of General Elections, and, except for 1965, the Social Settlements have been imposed in years of, or immediately following, those of General Elections. The basis of the conflict has been the accumulating socio-economic effects of the development of the colonial and neo-colonial economic system."*

We are now in 1985, the year preceding that of a General Election. Given our historical experience AND the objective conditions of the economic crisis we are certain that another social settlement is on the agenda. Nor are we the only ones to sense that a major political and social development is in the making. Religious heads, newspaper columnists and media commentators, political leaders, Trade Union leaders and representatives of big business, spokesmen for community and cultural groups and our nation's artistes have all expressed concern albeit in different ways, according to the interests they are defending.

But what social settlement will result? Will it be a reactionary social settlement? One that will guarantee unlimited exploitation to the multinationals and big business at the expense of the peoples freedom; one that will recolonise Trinidad and Tobago like Jamaica,

Grenada, and most of the Eastern Caribbean thereby stopping the last leaks in Reagan's Caribbean basin? Certainly a reactionary social settlement is what the owners of capital want and they will go to any lengths including destabilisation and assassination as they have done countless times throughout the world.

Or will it be the establishment of a new democracy expressive of the working peoples' power? Such a settlement will be in the interests of the vast majority of the people as it would liberate the talents, creativity and energy of the people. For the solutions to the nation's crisis, the alternative to barbarism is for the people to be actively involved in the process of directing the growth and development of the country.

During 22 years of Independence we have operated the capitalist economic system and the Westminster political system both of which leave the ordering and running of the society in the hands of an elite. And that has failed. Not because it hasn't been "well managed." Better management as some politicians would have us believe will simply concentrate more power in the hands of the elite. What we need now is power to be organised in the hands of the people where they live and where they work. Because it is only the people who work in the factories who can effect a radical change in production, only the farmers and workers who can transform agriculture only the collective action by people which can transform their communities. That is the new democracy, that is the alternative to the barbarism that will result from the new social settlement of the elite.

In fact we already have seen signs of the new democracy as workers put forward solutions to the problems of production, communities organise themselves for project after project and farmers state the solutions to our food crisis. But the elite who rule by decree from above do not listen, nor do they implement. Because it is not in their interest to do

so. New politics or reactionary social settlement? These are the possibilities of the present crisis.

This is a view that we have always held. We were crystal clear in 1981 when we said the real political issue was not the election itself but the coming crisis, we repeated that warning in 1982. For we know that politics is much more than elections. In 1981 when all the political parties and commentators were focussing on who to vote for, we were saying prepare for the crisis. In 1983 and more so in 1984 they admitted to the crisis but did not state the causes. To do so would be to admit that the system which only benefits the elite, and which they hold so dear, has failed. In 1985 the parties and commentators will use the crisis to once again say who to vote for. But that will not solve the crisis. Indeed it may only result in a social settlement that runs counter to the peoples interests.

What this country needs is not an alternative party, but ALTERNATIVE POLITICS. Politics that would be expressive of the working peoples power. Such politics challenge the established political parties both on the right and on the "left". It challenges the party that has ruled this country for the past 28 years. It challenges those in the opposition (in parliament or out) who are the political bedfellows of Adams or Seaga. It challenges those who use race, religion, party affiliation, or Union factionalism to divide the people. It challenges the so-called "left" who support Bernard Coard in Grenada.

Indeed the events of Grenada are critical in understanding this new politics. For Maurice Bishop symbolised the new politics. A politics that involved the mass of the people as evidenced by the experiments of workers councils, parish councils, of the ordinary citizen debating the Budget before it is presented. And the most significant manifestation of this new politics was the intervention of the thousands that freed Bishop on that fateful day in October 1983. Such a people's power challenged Bernard

Coard's ELITIST politics clothed in revolutionary rhetoric. It challenged U.S. domination and the sell-out politics of Adams, Bird, Seaga and Charles. It represented a new departure in Caribbean political experience. And therefore it had to be destroyed.

This new politics is the only hope for the Caribbean. It is the only hope for Trinidad and Tobago bogged down as it is in crisis, heading for barbarism.

Formed in 1981, the Committee for Labour Solidarity (Preparatory) is committed to the building of that new politics. The CLS is not a political party. It is a preparatory political organisation: a collective of trade unionists, community and political activists many of whom have been identified and associated with the struggles of working people for many years and who were part of the historic founding of the United Labour Front as a powerful WORKERS' organisation in the mid-seventies. The basic commitment of the CLS is to build the solidarity of the working people as a class. As we said in our Statement of Intent in 1981:

*"Such solidarity is the necessary and inevitable base for political activity aiming eventually at the establishment of a new democracy expressive of the working people's power."*

*IN PURSUIT of such solidarity the CLS declares war against all manner of operations and activities that divide the working people, politically on lines of difference such as race, religion, party affiliation, Union factionalism or other anti-working class ideological lines.*

*WE STAND COMMITTED to serve the working people in the quest for political education to raise their consciousness to the political understanding of their position in society, their needs as a class, and the way open to them to overcome their conditions of persistent poverty and bondage.*

*WE RECOGNISE that the working people; by virtue of the place they occupy and*

*by reason of the exploitation they suffer under the existing economic order, must of necessity struggle to maintain and improve their standard of living and we see it as our duty to aid and abet them in this ongoing struggle.*

*WE HOLD that the working people , above all classes in modern, capitalist society, are the chief beneficiaries and must necessarily be the foremost defenders, of democratic freedoms.*

*WE MAINTAIN that it is the historical mission of the working people to transform the existing economic system into a new economic order which will be the inevitable resolution of their historical struggle out of slavery, through indenture and as they move up to freedom."*

In furtherance of these fundamental positions, the CLS, over the past three years has worked for 'Trade Union unity, for rank and file workers' unity, for joint solidarity activity, for the successful outcome of workers' economic struggles as they combat retrenchment and wage freeze, for the development of the popular culture, and for the development of the political consciousness of the people. The CLS has also worked, particularly in the past year, for the development and consolidation of the institutions of the working people.

However, given the way in which the current crisis is developing, having regard to the urgent need for development of the alternative politics, the CLS believes it necessary to renew its direct intervention in the political process.

**SIGNED:**

*David Abdulah  
Allan Alexander  
Ian Belgrave  
Paul Harrison  
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Ragoonath Khemraj*

*Ramesh Lutchmedial  
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Lennox Pierre  
Raffique Shah  
Lyle Townsend  
George Weekes*



TRINIDAD AND TOBAGO

PNM ENCOUNTERS CRITICISM OF POLICIES; PERSONNEL SHIFTED

Command Failures

Port-of-Spain SUNDAY GUARDIAN in English 27 Jan 85 p 6

[Article by Ernest Tracey]

[Text]

THE PNM prepares its Waterloo.

The last three tests in which the party in power has been engaged have ended in disaster for the PNM. That party's performance in the last local elections, Tobago House of Assembly elections and in the debate of the 1985 Budget has been pathetic.

On each of these occasions, the PNM has entered the political arena with propaganda guns blazing. The Opposition would be flattened if not decimated. The action was as hectic as predicted by the party hacks, flacks, go-fers and general camp followers. The PNM'S biggest and best guns cut loose with everything that they had in the party's arsenal.

Somewhere along the line something went wrong. The PNM's propaganda ammunition was frequently faulty and exploded in the gunners' faces. At other times, the direction and aim of the PNM's propaganda was sufficiently inaccurate to incur a boomerang effect. Casualties were inflicted on the PNM party by "friendly fire". That is, the fire aimed at the Opposition ended up striking their own forces.

It is difficult for outside observers to understand just what has gone wrong at the command headquarters of the People's National Movement. They seem to be destined to self-destruct. Even the most faithful of the flock among PNM voters are beginning to harbour some doubts.

The cocktail circuit is abuzz with bewildered queries as to when the public blood letting will end. The PNM is rapidly losing its image as a political winner. It was an image which had been deservedly earned on the party's performance in general elections—they have never lost a general election.

THE CONFIDENCE

The confidence which resulted from that record seems to be losing its old vigour. That is a result of the massive scope of the recent defeats in other political battle zones.

The 1985 Budget debate is included as a PNM defeat on the basis of media reports. Special interest group and general public response to the PNM's Budget proposals have been reported as overwhelmingly negative. Private industry, manufacturing, Chambers of Commerce, news editorials, labour unions and the man in the street appear to be unanimously disappointed in the 1985 Budget Speech.

The PNM's propaganda machine had led the public to believe that something really big, regarding societal changes, would be going down in the 1985 Budget Speech. We were not sure what exactly to expect, but we were sure that it would be big, significant, comprehensive and exciting.

We knew that new ground would be broken with innovative social programme and supportive research aimed at reversing the negative impact of "massa day done", "money is no problem", "we like it so" and the right to do and act as we please as an expression of doing "ah we ting".

We knew that research and development programme in man-power planning and utilisation would be outlined. We were confident that the PNM would be progressive in tackling the man-power problems of redundancy, obsolescence and retrenchment by introducing massive manpower training and development programmes.



We were terribly disappointed when the PNM Budget Speech included little more than an informational package of manipulative accounting techniques and procedures. There was no hint of inspirational leadership anywhere in the PNM speech of debate on the Budget.

The Prime Minister's suggestion to John Humphrey that the PNM had proposed a plan similar to the one that he was now recommending as far back as 1970 was not reassuring. If this was indeed the case, why had there been no implementation of the PNM's plan in the intervening 15 years?

The ministerial attack on Basdeo Panday's contribution to the debate seemed inconsequential if not weak. The line of attack focused on the format of the Panday statement. The Opposition Leader's position was seen to be far less clear-cut and detailed than that of the Prime Minister. That was undoubtedly an accurate assessment of the two proposals.

#### REBUTTAL

The Minister Padmore failed to mention, however, that the Prime Minister's paper was the product of inputs of several man/months of effort from several government departments. Panday's response was based on a brief period of review of the Prime Minister's speech. The Minister's rebuttal amounted to no more than a high-school level debating point. It was delivered with all the skill and flourish of a seasoned

political campaigner, but it was not inspirational in terms of developmental consequence.

The PNM must have a strategy for the 1986 general elections. The mystery is when will it be brought into public view? Perhaps there simply is no strategy beyond business as usual and hope for the usual election results.

There certainly was no party (PNM) strategy, plan or purpose emerging from the disparate political activities which the party undertook as a campaign programme during the Tobago House of Assembly elections. The outcome was predictable. The PNM was severely mauled by the DAC of ANR Robinson.

There are several indications that the PNM will face a new set of unsettled societal situations in 1986. It will also face a more enlightened and possibly more disenchanted and dissatisfied general population.

In spite of the warning indicators, however, the PNM continues to march to its own drummer. The problem is that the drummer is out of tune with the rest of the nation. This makes the PNM marchers all out of step with the national tempo.

The consequences of this type of disharmony are replete throughout history. Most of us have heard of what happened to the Americans in Vietnam and to the British at Dunkirk. To an older generation it was Napoleon at Waterloo.

If they continue as they are going at present, the PNM will be unlikely to prevail in 1986.

#### Senior Personnel Transfers

Port-of-Spain TRINIDAD GUARDIAN in English 25 Jan 85 p 1

[Text] Prime Minister George Chambers has authorised the transfer of eight Permanent Secretaries in a reshuffle announced yesterday by the Director of Public Administration.

In addition, three senior officers have been promoted to Permanent Secretaries.

Among those promoted is Mrs Annette Auguste, Trinidad and Tobago's Ambassador to Venezuela. She has been assigned to the Office of the Prime Minister with effect from February 20.

The following transfers are effective from February 1:

Mr David Punch, Permanent Secretary, Ministry of Industry, Commerce and Consumer Affairs, goes to the Ministry of Housing and Resettlement;

Mr Ainsley Timpow, Permanent Secretary, Ministry of Housing and Resettlement, to the Ministry of Health and Environment;

Mr Bertram Ifill, Permanent Secretary, Ministry of Health and Environment, to the Office of the Attorney General and Ministry of Legal Affairs;

Miss Dorothy Blackman, Permanent Secretary, Office of the Attorney General and Ministry of Legal Affairs, to the Prime Minister's Office on special assignment;

Mr Sakal Seemungal, Permanent Secretary, Ministry of Works, Maintenance and Drainage, to the Ministry of Community Development and Local Government;

Mr Horace Bailey, Permanent Secretary, Central Administrative Services Tobago, to the Ministry of Works, Maintenance and Drainage;

Mr Carlton Connor, Permanent Secretary, Ministry of Community Development and Local Government, to the Central Administrative Services Tobago;

Mr Joseph Cooper, Permanent Secretary, Ministry of Information, to the Ministry of External Affairs on special assignment.

The Public Service Commission also approved the following promotions:

Mr Reynold Rampersad, Director of Agricultural Planning, Ministry of Agriculture, Lands and Food Production, as Permanent Secretary, Ministry of Industry, Commerce and Consumer Affairs, with effect from February 1;

Mr Rupert West, Comptroller, Administrative Services, Ministry of Works, Maintenance and Drainage, as Permanent Secretary, Ministry of Information, with effect from February 1;

Mrs Annette Auguste, Foreign Service Officer V, Ministry of External Affairs, as Permanent Secretary, Office of the Prime Minister with effect from February 20.

#### Attack on Jacelon

Port-of-Spain EXPRESS in English 22 Jan 85 p 8

[Article by Compton Delph]

[Text]

**FOUR Sundays ago, I called on Senator Anthony Jacelon to exercise the good sense and grace with which I know he is endowed and resign as Minister for the administration of Tobago.**

I argued then that circumstances, some of them historical, others of his own creation, operated against his successful performance in this sensitive post.

The good gentleman has, so far, ignored my suggestion but maybe he is awaiting his turn at debating the Budget in the Senate, during the course of this week to make his announcement.

For it was during the 1984 Budget debate that he cautioned

his senatorial colleagues, one or two of whom had quoted some of my reports from Tobago — I am known to be a reporter who sometimes write under difficult circumstances, and therefore they should not pay much credence to what I wrote.

But I would persist despite the circumstances which the good Senator perceives as being difficult for me. And I will now suggest that he be removed from his Tobago office by Prime Minister George Chambers.

I go one step further and urge Mr Chambers to take on the responsibility for Tobago himself. He must do this if he is sincere in his often offered hand of

friendship to Tobago and its people.

I am sure he knows that the entire country demands a halt to the current bickering between his government and the Tobago House of Assembly. And I am equally sure that Mr Chambers, like President Ellis Clarke, has come to realise that the time for peace is now.

Harmony, as the President said when he opened the Assembly last month, must be restored and I am convinced that the Prime Minister is not only the best man to achieve this, but probably the only man under the circumstances.

First of all, it was his predecessor more than anyone else, who destroyed the good relations that existed between Trinidad and Tobago. Who can forget the man's bitter condemnation of Tobagonians: "Crappo smoke dey pipe."

As successor to office, it is only just and fair that Mr Chambers should make amends. And if there were any lingering doubts that Tobagonians can be run over by threats and deprivation, they should have been dispelled last November.

What Tobagonians need is a genuine concern for their welfare and Mr Chambers, as Prime Minister, is admirably equipped to provide it in a positive way.

He has the chance now to dis-

play a clear and decisive act of leadership, a quality which many, quite unfairly I believe, have been accusing him of not possessing.

Apart from the moral aspects of the issue, it would appear, too, that as Minister of Finance, he is the man intended by law to deal directly with the Tobago House of Assembly.

Section 21 (1) of the Tobago House of Assembly Act states clearly that "the Minister of Finance shall consult the Assembly on matters of national importance such as the annual national budget, development projects, and the operation and use of the long-term funds as they relate to Tobago."

True, in the past, he has gone through the motion of calling in A.N.R. Robinson, Chairman of the Assembly, for discussions, shortly before the budget presentation. But I am of the impression that this was mere ritual. What is needed, and what I believe the law intended, was that the Minister of Finance should be in constant touch with the Assembly on all matters of national importance and not only the Budget, just as the Prime Minister is enjoined by the Constitution to consult with the leader of the Opposition on these issues.

If this is so, then the consultation should be a year round exercise involving Mr Chambers and Mr Robinson, with or without their advisers. It is certainly not something, to be left up to a

minister, no matter how able and certainly not Anthony Jacelon.

I am convinced, despite what others may say, that Mr Chambers is kindly disposed to Tobago and its people. Much of the ill-feeling of the past, I believe, has been forced upon him, particularly in his capacity as Political Leader of the ruling party.

I suspect too, that Mr Chambers was "given basket" by some of those around him and this accounted for what now, if it did not at the time, appears as rather strange behaviour on his part in the recent past.

My information is that there has been a real thawing of the icy relationship and that Mr Chambers is at the centre of the warming process.

The people of Tobago are eager to welcome him back into their fold. All he has to do is tell Jacelon that he will no longer be responsible for Tobago affairs: that as leader he will take over.

Then when he returns to his home on the island, it will not be as a "stranger in our midst," but as a member of a happy unitary family, no longer forced by circumstances, to explain that he is in "temporary residence" whenever he visits Tobago.

Finally, I am sure that the Prime Minister's personal stocks which at the moment appear to be low priced on the political market, would soar beyond his own expectations should he take this bold and necessary step.

TRINIDAD AND TOBAGO

TEXT OF OPPOSITION LEADER'S SPEECH ON 1985 BUDGET

Port-of-Spain TRINIDAD GUARDIAN in English 16-18 Jan 85

[16 Jan 85 pp 9, 11, 13]

[Leader of the Opposition, Basdeo Panday, on Monday [14 January] made his contribution to the 1985 Budget Debate in the House of Representatives.

Following is the full text of his speech:

MR. SPEAKER, as I understand it, the function and purpose of a Government in a democratic society is the establishment, promotion and maintenance of the well-being of all its peoples. The happiness of the nation's citizens and residents is the *raison d'être* of a democratic government.

In order to provide for the total well-being of the people the Government is expected to provide national peace, security and stability in accordance with the law and the Constitution. It must provide for their basic needs and comfort without which there can be no happiness.

The Government, therefore, must so organise the society, and so conduct the affairs of state, that each and every individual may, if he or she so wishes, have the opportunity to develop himself or

herself to the fullest extent of his or her potential.

GOVT CONTROLS

In concrete terms, it is the duty of a democratic government to ensure, among other things, that everyone has, or has the opportunity to acquire, the basic needs of a decent life.

Of priority, therefore, in such a scheme of things, is the question of employment. In this society it is not possible for a person to lead an honest and decent existence without a permanent, well-paid and productive job, or some form of meaningful occupation.

If an acceptable standard of living is to be maintained then the level of prices relative to wages and salaries must be a matter of concern.

The provision of adequate public utilities, such as drinking water, proper roads and other means of communication, electricity, housing, health and sport-

ing facilities and so on, must be the concern of the democratic Government.

I vehemently disagree with the apologists for the present Government who seek to argue that Trinidadians and Tobagonians have a tendency to look to the Government for everything.

In a democracy the people, instead of governing themselves have chosen the Government to govern for them and on their behalf.

To whom then must they turn to provide for their needs if not themselves — in the form of their elected Government? The people do not collect the billions of dollars in taxes, the Government does.

The people do not directly control the resources of the State, the Government does. The people do not appoint the members of the Board of Directors and Management of the State Corporations and Enterprises, the Government does. The people are not responsible for the management of WASA, T&TEC, IS-

COTT, Caroni, or Telco, the Government is. To whom then must the people turn for their needs?

Mr. Speaker, it is against this background that I shall attempt, in my humble way, to examine the 1985 Budget.

But before I do so, I think its pertinent to ask: What really is a National Budget? What is it supposed to do or to say? What is it expected to achieve.

Is it, as some people seem to think, merely an annual exercise by which the Government collect taxes from the people and spend it as it sees fit, only to return the following year to repeat the same exercise? I do not think so.

Having regard to the functions, duties and responsibilities of the Government, as I have already outlined, one would expect that a conscientious Government would have some sort of plan by which it intends to provide the goods and services for the people, so as to sustain their well-being on a permanent basis.

In that context, the Budget is the annual expression of such a plan. It is the occasion on which the Government reviews its past performance, notes changes in the objective societal conditions and modify its strategy and tactics, if needs be.

### **CRUEL INJUSTICE**

But the Budget, nonetheless, remains an integral part of an overall policy and programme, a clearly thought-out plan — not an isolated incident devoid of philosophical and ideological content.

It must now be clear to all that the present PNM Government has no definite policy, no clearly thought-out plan as to how it is going to provide for the needs of the society; and that is precisely

why the Budget is a bundle of confusion.

A close reading of the Budget will reveal that the Prime Minister identifies an objective on one page and several pages later introduces measures which militate against the achievement of that objective.

It is as if the Budget was written by several persons who were not on speaking terms with one another.

Take, for example, the statement that appears so often in the Budget that the burdens of adjustment in these recessionary times must be shared equally by the citizens.

That can only mean that those who benefited most from the boom period should bear a heavier share of the burden than those who benefited little or not at all.

It could not possibly mean that those who are pensioners or on small fixed salaries must pay the same taxes as those who, because of the boom years, are now earning in excess of \$10,000 per month.

Surely, that would be to impose a relatively higher burden on the poorer sections of the society. In other words, you cannot mete out equal treatment to unequals and hope to achieve the objective of equality of treatment.

You must impose equal burdens only on equals. To mete out equal burdens to unequals is to treat the less fortunate unequally. And that is exactly what the Budget does by the imposition of a regressive system of taxation in the form of increased purchase taxes, the 12 per cent duty on imported goods, the 10 per cent levy on foreign exchange for vacations and other measures which will result in higher prices for most goods.

In quantitative terms the poor will pay the same as the rich, but relatively, they will be paying a higher proportion of their income.

The widow with her mite will pay the same tax as the millionaire.

There are many other examples in the Budget of this kind of cruel injustice and I shall deal with them in detail at a later stage.

But this one suffices to substantiate my contention that this is a Budget without policy objectives, without direction and purpose, without soul and without hope.

The first nine pages of the Budget deals with the international economic situation and its deleterious effects on developing countries.

### **ARGUED**

It is argued that the recession in the industrialised countries between 1980 and 1982 resulted in a fall in demand in such countries for the products of primary producers, causing prices to fall, falling growth rate, unemployment and balance of payments problems.

The mistake that the authors of the Budget makes — (I am not necessarily blaming the Prime Minister) — is that Trinidad and Tobago, in this analysis, has been equated with non-oil developing primary producers, such as Guyana, Barbados, Jamaica and other Caribbean, African and Latin American countries, whose economy is based on the sale of primary commodities only.

It is a wicked attempt to mislead the population and to find scapegoats for the lack of foresight and planning, the corruption, maladministration, inefficiency and mismanagement of the present Government.

While not denying that the state of the international economy does have some influence here, the fact remains that the recession we are experiencing in Trinidad and Tobago is not the classical recession that obtains in Western industrialised countries.

Failure to understand that is bound to lead to confusion in deciding how to get out of the recession.

The recession in the United States and other industrialised countries which began in 1980 started with an attempt by these countries to deal with their problem of inflation.

A deliberate policy of monetary and fiscal restraint introduced by the Governments of these countries which began in 1979 resulted in lower inflationary expectations, falling demand, substantial unutilised capacity, high unemployment rates, which in turn led to falling wages and lower unit labour costs.

They are coming out of their recession because with lower production costs the investment climate is conducive to renewed investments, which will in turn result in more employment and increasing demand for goods and services.

Such economies can be manipulated by their Governments to move in a desired direction by use of monetary and fiscal policies.

The recession in Trinidad and Tobago was brought about by completely different circumstances, and we shall have to use different means to get out of it.

### **THE ONLY HOPE**

Just as the boom period in Trinidad and Tobago did not result from any deliberate or constructive action on the part of the Government, so too the recession.



The fall in demand in Trinidad and Tobago originated from causes different from those in the United States. Ours is really an expression of our inability to continue to purchase our standard of living from oil revenues as we did during the boom years, because of the fall in revenues from oil.

Having failed to diversify the productive base of the economy when we had the money to do so, we cannot get out of the recession by simply reflatting the economy.

The only hope the Government thinks it has of getting us out of this mess is to pray for the return of high oil prices with increased oil production and/or find some other way to increase our fund of foreign reserves so that we can go back to square one where we are once more able to import our standard of living without having to produce it.

That is their only strategy, if you can call it a strategy, that one can elicit from the Budget. But they have one problem with that so-called strategy: How do they hold on to power until the miracle happens? That question is answered in the Budget proposals.

When you look at some of the heartless means of collecting revenues in the Budget you can come to no other conclusion that the Government's approach seems to have been one of personal expediency.

They seem to be saying: "We shall need about 8 to 9 billion dollars to keep us in power for 1985; let us look around and see from whom shall we squeeze it out."

The Budget is nothing short of an admission of the failure of the Government to deal with the problems that confront the nation.

At page 11 of the Budget Speech the Prime Minister enunciates his economic

policy measures since he assumed office in 1981. Apparently, he denies responsibility for anything that went before. (Read from pages 11 and 12).

And "how have we performed so far...?"

What are his great achievements? The answer begins at page 12 the prices level has undeniably shifted upward....

His first great achievement is that he has been responsible for rising prices. He has contributed in no small measure to inflation which has wreaked so much havoc on the poor, the old and those on fixed incomes.

Having allowed prices to get out of hand what does the Government intend to do to keep them down. At page 27 the Prime Minister says that price control, though a valuable tool is not the answer. The new and brilliant idea is a National Prices Watch without teeth.

Already the Labour Representative on National Prices Watch has resigned on the ground that he is not prepared to serve on a National Prices Watch the only function of which is watch prices rise.

#### PURE RHETORIC

The hypocrisy of the Government on this burning issue of rising prices has never been more clearly demonstrated than by the Prime Minister's statement on page 28 in which he suggests that price iniquities could be eliminated by "closing the information gap". I quote:

"This does not, however, mean that if there were a threat of unreasonable price increases which cannot be justified by the circumstances, the Government would not take strong action to protect the interest of the community as a whole". Now what does that statement imply?

That, as far as the Government is concerned, prices have not been rising unreasonable during the past 10 years? Or, that all price increases were justified by the circumstances? But surely that cannot be, since the Prime Minister himself has stated in this and other Budget presentations that prices have been rising unreasonably.

Why, then, has the Government not taken "strong action to protect the interests of the community as a whole"? And what kind of strong action is now anticipated? The obvious answer is "None". This is pure rhetoric.

And experience has shown us that this Government does not know the difference between rhetoric and reality. Or in other words, between lies and truth, or between old talk and action.

#### Achievement No 2 page 13:

"The slow down in economic growth has of course, affected some activities more adversely than others. In some cases, the fall in demand for the output of a particular activity has been so sharp that equipment has been made idle and labour retrenched".

Unemployment, according to their figures, is now almost 13%. I believe the Prime Minister expects us to applaud him on this magnificent achievement of creating retrenchment and unemployment, even though the admits that the result of all this has been an escalation in industrial action and a deterioration in the industrial relations climate. It is not surprising that the Budget makes no proposals for dealing with the increasing problem of unemployment.

#### Achievement No. 3 page 15.

The Prime Minister has curbed your appetite for foreign ex-

change and promises to curb it even further. What is to be done with the foreign exchange so saved? The Budget does not say.

#### Achievement No. 4 page 18.

He has granted tax concessions to the oil companies, and claims that these measures have already begun to show results.

A closer examination of the slight increase in oil production in 1984 reveal that the increase was not due to renewed activity following upon changes in the tax regime, but was merely the re-opening of wells which had been capped down by the oil companies awaiting the outcome of negotiations with the Government for tax concessions.

#### Achievement No. 5 page 18:

"The financial sector is one of the areas most affected by the general downturn in economic activity". They have suffered a fall in the level of deposits, and the non-banking financial institutions have either collapsed or are in serious difficulties.

With the collapse of several non-bank finance companies several thousands of our citizens have lost their life's saving totalling hundreds of millions of dollars.

#### GROSS NEGLIGENCE

Government must bear the full responsibility for the extensive suffering caused to our people. It misled them into investing in these companies by giving them the assurance that the Central Bank was keeping a watchful eye on these finance houses.

By the Financial Institutions (Non-Banking) Act, 1979 as amended, the Central Bank is required by law to monitor the activities of such institutions to ensure the protection of depositors.

Had the Government taken the trouble to ensure that this was being done, they would have realised that some of the finance houses were lending millions of dollars of poor people's money to their friends without any form of security or even hope of repayment.

The result of this act of gross negligence on the part of the Government has been untold suffering of helpless people. In the teeth of their negligence in this regard the Prime Minister has the temerity to say at page 21:

"Mr. Speaker, an economy as increasingly sophisticated as Trinidad and Tobago's must have a well-functioning financial system capable of offering a wide range of services to industrial and commercial enterprises".

He completely ignores the fact that the basis of a well-functioning financial system is confidence, and that the Government is responsible for the destruction of that confidence.

What is even more confusing is the Prime Minister's observation that interest rates are too high.

At page 19 he says: "Although the depositor is being offered a better return on savings, this should necessarily warrant higher interest charges on loans and generally higher charges for a range of bank services. Interest rates on loan have risen faster than those paid on deposits with the result that the spread earned by the banks have widened".

And on page 20 he continues:

"Mr. Speaker, our banks have to recognise that they, too, must participate in the adjustment to current economic circumstances".

He says further that the Central Bank has been making efforts to persuade the banks to make adjustments in their interest rates and other charges, **a p p a r e n t l y** unsuccessfully.

If that is the case, why does the National Commercial Bank a fully-owned State enterprise not set the example by reducing its own interest rates and other charges and fully disclosing to customers the true cost of doing business with them?

I would have thought that that was the whole point of setting up the N.C.B.

But you see, Mr. Speaker, this Government has a penchant for saying one thing and doing another, and a weakness for going in all directions at the same time. Some people describe such an object as a merry-go-round.

I now turn to page 24 of the Budget Speech — only to find another example of Government's desperate search for scapegoats to blame for its own inadequacy. I quote:

"In our own situation the position is further aggravated by the fact that, in the midst of the process of adjustment, access to capital markets is becoming increasingly difficult.

Moreover, as I reported in my last Budget Statement, even the World Bank is ready to penalise us for our success in managing our economy".

That would be laughable if it wasn't so tragic. The opposite is possibly nearer the truth.

If the "international civil servant in Washington D.C." is using the legal language of the Articles of Agreement as an excuse for refusing to grant loans to Trinidad and Tobago,

as the Prime Minister claims, (at page 25) then by his own admission there is another, if hidden reason.

It is not difficult to find that reason if you take an honest look at the performance of this Government over the past decade.

Between the years 1973 and 1984 the Government of Trinidad and Tobago collected and spent in revenues over \$50 billion. By a dedicated process of corruption, maladministration, mismanagement, nepotism and inefficiency, this PNM Government has succeeded in achieving what to others would seem impossible.

They have been able to spend such huge sums of money and still fail to provide a mere 1.2 million people with their most basic needs, such as water, roads, electricity, housing, health facilities, sporting facilities and permanent jobs.

#### TRAGI-COMEDY

Despite the availability of such vast financial resources this Government failed to diversify the economy, failed to provide the basic infrastructure for economic development, failed to expand the productive base of the economy so as to ensure self-sustaining and self-generating economic growth.

Where has the money gone? We do not know. But it has gone and we now inevitably find ourselves back to square one as we were before the petro-dollars began to flow.

Mr. Speaker, if you were a banker or a money lender, and a bunch of incompetents such as these came to you for a loan with such an atrocious track record behind them, would you lend them so much as a black cent?

Would you not find some reason to put

them off even if you have to "seek refuge in the arid legal language" of some document or the other? Would you not relegate them to some new category such as "underclass" so as to get them off you back?

It seems to me that that is exactly what the World Bank has done. They know that as long as this Government is in power a loan to them is like throwing money down the drain — never to return.

The rejection by the World Bank of our applications for loans have been rejected, not because of Government's "success in managing the economy", but for the exactly opposite reason.

Having failed to persuade the World Bank to lend it money to finance its corruption, the Government has decided to get that money locally by expanding the tax net to include the self-employed, imposing

purchase taxes on rich and poor alike, increasing the cost of services, etc.

So much for Government's great performance. For us, it has been the tragi-comedy of rags to riches and back to rags again in 10 short years.

Having got us into this awful mess let us see how the Government plans to get us out.

#### CAT IN BAG

At page 33 Prime Minister restates the fact that "oil remains the backbone of the economy", and that it is the principal source of foreign exchange and fiscal revenues.

Whether he intended it or not, this is an admission of Government's failure to diversify the economy to effect meaningful structural changes in the economic base of the society.

It is not surprising, therefore, that they have found themselves with what is now conflicting objectives — how to get foreign exchange so as to continue to import the things we should have been producing; and how at the same time to raise enough revenue to support corruption and keep them in power.

Finding himself on the horns of his self-made dilemma he compounds the problem by introducing conflicting and contradictory measures as solutions.

This, of course, has been in addition to his bungling incompetence which has now assumed the proportions of a household joke. Let me demonstrate what I mean.

Since oil is still the mainstay of the economy, Government decides that it ought to rationalise the oil industry, and, to this end moves to acquire Tesoro and Texaco.

[17 Jan 84 pp 10, 12]

[Text]

In dealing with Tesoro it is immediately faced with the fruits of its own past incompetence and corruption. It is confronted with an oppressive contract which it entered into with Tesoro in 1968 to establish a joint-venture to acquire the assets of B.P.

The price now being asked for Tesoro's 49.9 per cent of the shares of Trinidad Tesoro Ltd. includes the price of oil in the ground — but nobody can say how much oil is in the ground.

A cat in bag deal, if ever there was one. The result is a protracted and never ending negotiations. They sowed the wind, now they reap the whirlwind.

In the case of Texaco the bungling and incompetence are even greater.

On August 31, 1984, in his Independence Day message, the Hon. Prime Minister, with all the fanfare and publicity, at his command heroically announced that the Government had agreed to purchase the assets of Texaco, (not including its

marine operations) for US \$173 million. In fact, it was an agreement merely in principle, which any lawyer would tell you, is no agreement at all.

#### FUX PAS

But by making public such a premature disclosure and going so far as to even quote the price to be paid, the Prime Minister unwittingly, tied the hands, feet and legs of the Government's negotiating team, leaving them with no room to manoeuvre.

And now he is surprised that Texaco has seized the opportunity created by his folly to introduce a number of matters "into the negotiations the scope of which has thereby been much enlarged".

Even the most junior trade unionist knows that you do not make that kind of mistake even in the simplest negotiations. Not even a shop-steward in the All Trinidad Sugar and General Workers Trade Union would do such a silly thing.



When Mr. Ramnath, the member for Couva South, raised this matter in Parliament a few weeks ago, the Prime Minister realised he had made a faux pas.

Instead of letting sleeping dogs lie, he decides to do so himself, and in a shameless attempt to extricate himself from the inelectable position in which he has found himself, he puts the blame on the leader of the Government's negotiating team — a public servant who cannot defend himself.

Referring to that unfortunate Independence Day announcement the Prime Minister says at page 39 of his Budget Speech: "I did so on the basis of a written communication from the Leader of the Government's negotiating team".

That is, indeed, strange, since the leader of the Government's negotiating team appeared on television and stated quite clearly that it would take some 6 to 8 weeks before any definite statement could be made. But alas! The public servant is not allowed to defend himself.

In a democracy that demands Ministerial responsibility they do not escape that responsibility by passing on the blame to their civil servants. To violate the principle of civil servant anonymity is to destroy his usefulness as a fearless adviser.

It is this kind of selfish action on the part of the Government that has destroyed the confidence and initiative of the civil servant and reduced him to the level of a slavish follower of antiquated rules.

No amount of re-organisation of the public service, no amount of one-stop shops is going to improve the performance of the service if we do not, at the same time restore the confidence and dignity of the Public Servant and the pride associated with public service.

It must be clear to all that the Prime Minister made that unfortunate statement about the purchase of Texaco at the time when he did because he wanted to gain some cheap political mileage by announcing what he considered to be a momentous decision on a momentous occasion — a sort of Independence gift.

I tell you, Mr. Speaker, their only concern is how to hold on to power — even if it means destroying the nation in the process. The other means by which the Government hopes to earn foreign exchange is by promoting exports.

Let us examine the means by which Government proposes to deal with that.

## NET RESULT

For the purposes of this argument exports may, conveniently be divided into two categories:

1) products which have a high input of imported raw materials, and, 2) those which require mainly locally produced raw materials.

The greater the proportion of exports of the latter the greater the net earnings from foreign exchange.

If we are to have a successful export drive the following must obtain.

1.) Market identification:

We must produce goods that are in demands in some foreign country. We must locate potential markets.

2.) Having identified the kind of goods which are, or are likely to be, in demand we must be able to produce such goods at competitive prices.

3.) We must ensure that there is available export infrastructure including credit facilities, port facilities, transport, insurance, credit and other services.

4.) A Government and a bureaucracy that encourages manufacture and exports; not a Government that feels that we have broken the export barrier because 20 manufacturers have received a total of U.S. \$3.6 in orders.

The assistance given by the present Government to local manufacturers and exporters is minimal. And what little is given with the right hand is taken back with the left.

The net result is zilch. The 12 per cent stamp duty on all Bills of Entry (except for food and drugs) is a retrograde step, and, in conflict with the Government's lip-service being paid to export manufacturers.

This is bound to have the effect of increasing the cost of imported raw materials not merely by 12 per cent but by much more. This is bound to make our exporters less competitive in the international market.

On the one hand you encourage the businessman to go abroad and search for markets and on the other hand you slap a 10 per cent sales tax on all foreign exchange for business travel.

You say you are encouraging the export of our local rum, beers, wines and spirits in one breath and in the next you increase the excise duty and licence fees payable by distillers and brewers.

It would have been laughable if it wasn't so pathetic to hear the Prime Minister saying at this stage of the game that he proposes to deal with the bureaucratic delays and frustrations being experienced by manufacturers and exporters.

For the past eight years we, on this side of the House, have been complaining of the congestion on the port, the cumbersome procedures relating to the import of raw materials and the export of finish products, the lack of co-ordination between different Government departments and a host of other constraints to exporters.

Why have they not done anything in the past to rectify these problems? Except for the death of Dr. Williams and the emergence of a strong and united Opposition, what has happened since 1976 to indicate that they will act now? I strongly suspect that the Government has simply run out of ideas, and the Prime Minister has been reduced to saying things just to fill the pages of his Budget Speech.

#### CRITICAL FACTOR

This Budget, in fact, repeats much of what was said last year. Listen to what the Prime Minister said on page 49 of last year's Budget Speech:

"With the institutional framework supportive of export development virtually in place, with additional sources of long-term financing now available, and with access to the largest overseas markets recently enhanced, there can be no excuse for the private sector not to display more entrepreneurship and mount a major export drive".

At page 56 of this year's Budget Speech, forgetting what he said last year, he now says:

"However, especially at a time when we are seeking to revitalise the economy and regain the momentum of growth and development in an export mode there is need, as the Government recognises, to remove from the apparatus of state the bottlenecks and grey areas which eventually add cost to, and even frustrate, the conduct of business".

Does anybody really believe that anything will be done? The Government did not even have the will or the capacity to set up the necessary machinery to collect the new taxes proposed in the 1984 Budget.

The year has "come and gone" and they could not collect the tax on video clubs, the land and building tax, etc.

It seems as though we are coming to the stage where the freedom of the people will depend on the incompetence of the Government.

As I said, earlier cost price is a critical factor in any export drive. In order to allow the manufacturer to enjoy the optimum economies of scale and so produce at the lowest possible cost, there should be a buoyant local market to sustain demand for his product.

Any action which dampens local demand is bound to affect adversely the cost price structure of the potential exporter.

This is exactly what is going to happen in the country when the full effects of these Budget proposals are felt by the masses of the people.

By causing higher price for almost everything from toilet paper to fridges, from a police certificate of character to your driver's licence, the effect will be to reduce demand for goods and services generally and consequently higher unit cost for the exporter.

A similar confusion exists in what Government has to say about agriculture. While admitting that the food import Bill is now over \$900 million per year, and that there is need for greater agricultural production the Prime Minister goes straight ahead and makes it more difficult for farmers to produce.

He removes the production subsidies on land preparation, orchards, cocoa and coffee rehabilitation, pasture establishment, access roads on farms, water for agriculture, bee-keeping, jiffy pellets, livestock, housing and drying facilities. He removes the subsidies on imported chemicals, having already removed it on pig and poultry feeds last year.

He freezes the guaranteed price for cocoa, coffee and farmers' cane at existing levels for the next three (3) years. The price for pigs and maddy is frozen at current levels for the next two (2) years. And on top of this he imposes a land tax on agricultural lands.

#### DEATH WISH

Since the Budget has already ensured that prices will rise all round what the Prime Minister is in fact telling the farmers is: Reduce your cost and your standard of living or get out of agriculture.

In fact the Prime Minister's death wish seems to be that workers must work for lower real wages, they must accept a lower standard of living. The unemployment must be satisfied with being jobless; the pensioners must make out as they can; the business community must perform miracles.

Everybody must tighten their belts except the Government. Last year the Government collect and spent some \$8 billion and this year it intends to do the same. Everyone must sacrifice so that the PNM oligarchy can survive.

I shall leave the details with agriculture during this Debate. Since the Prime Minister seems obsessed with Caroni (as he seems obsessed with Tobago) let me deal briefly with that subject and expose the Prime Minister's total lack of understanding of what is taking place in Caroni.

His first mental block is with respect to the Union's attitude to change. I wish to remind him that it was the Union who initiated and participated in the production of the Spence Report on the Rationalisation of the Sugar Industry since 1978.

We proposed a plan of rationalisation and diversification both in terms of alternative land use and products diversification.

The most significant part of that plan was that there would be rationalisation without tears. There was to be no retrenchment of workers. That plan was accepted by both Houses of Parliament but deliberately not acted upon. An act of sheer malice, wickedness and vindictiveness.

And what is the Government excuse for not acting on the Plan. Today, we hear, for the first time, that the Commonwealth Fund for Technical Co-operation investigated the proposals for by-products and downstream industries "and the results were negative", whatever the means.

What the Government did not tell us was that the terms of reference which they gave to the investigators were such as to ensure a negative response.

You see, those were the heady days of the oil boom, so we were accused of having sugar in our brain, while being assured by the PNM that the future of Trinidad and Tobago was in steel production not in agriculture.

#### SIMPLISTIC METHOD

It may surprise the Government to learn that the sugar industry of Mauritius has successfully embarked upon a programme of product diversification similar to that enunciated in the Spence Report. Time does not permit me to give you the details.

Mr. Speaker it seems that this descrepit Government, although it has been in power for 28 years, has not learnt one of the first lessons in international politics — that you never go to your competitor for advice.

If they would have gone to India or China. But as I said, Mr. Speaker, that was a deliberate act of malice on their part.

That malice is evident from the propaganda they continue to spread that sugar is dead or dying because

it costs over \$4000 to produce a ton of sugar when the price on the world market is about \$700.00.

Mr. Speaker, do you know how they arrive at the cost of a ton of sugar? They take the entire cost of running Caroni Limited for a year and divide that figure by the number of tons of sugar produced for that year. What can be more dishonest than that?

By using that simplistic method of calculation they include in the cost of producing a ton of sugar that cost to Caroni of providing a host of public services which should be provided by the Government.

Caroni (1975) Limited provides and maintains at its expense 63 playing fields for public use. That is included in the cost of producing a ton of sugar.

Caroni provides and maintains 23 public cemeteries at its own expense. The Company provides coaches for several schools in the area. Even that is included in the cost of producing a ton of sugar.

#### HIGH TIME

So too is the cost of running a primary school, the cost of maintaining Caroni top heavy management in a life of luxury with free house and car complete with maid, chauffeur, gardener and a 16 hole golf course.

If they were really interested in finding out the true cost of sugar production they would compute on the cost of field preparation, planting, maintaining, reaping and grinding on an acre to acre basis.

But they would not do that. The idea is to humiliate and denigrate sugar workers by making them feel that they are living on welfare and by the good graces of the Government.

So the Government talks about how much money it has put in Caroni. It never says how much the Government owes Caroni, not only for the services I have mentioned but in cold cash. It may surprise this country to know that at this very moment the Government owes Caroni Limited some \$400 million dollars for lands expropriated and not paid for.

Do you know that if all the workers of Caroni Limited worked for the Company for one year without wages the Company would still make a loss? Come Mr. Prime Minister, don't close your eyes to the obvious. It is high time this iniquity ceases.

During the boom years we pointed out to Government that there were some 5000 acres of uncultivable lands of Caroni Limited. If these were to be developed for housing, Caroni would have enough money to finance its own rationalisation and diversification plan.

Our pleas fell on deaf ears then, and on brain-free skulls now. Perhaps the most glaring example of gross stupidity and/or corruption is the closure of the Bagasse Plant. Here was a functioning factory making particle boards from bagasse a by-product which would otherwise have been thrown away.

Here was a great opportunity to produce a product entirely from local raw materials, instead of having to use foreign exchange for import of raw materials. There is already a high demand for particle boards for the housing and building industry which we are importing.

So here was an opportunity to make a further saving on foreign exchange together with the possibility of exporting the finished product and so earning foreign exchange.

You know what this corrupt Government did, Mr. Speaker? It retrenches the workers and closes down the Bagasse Plant, so that its agents can import particle boards.

In order to save the jobs of the workers the Union of which I am the President General offered to buy the Company and run it as a co-operative, but the Government refused to sell it to the Union, preferring to moth-ball it instead. I hope no one ever ask me again for further evidence of malice. I say no more on Caroni.

So much for what the Budget has said. I turn now to what it has failed to say.

One of the most pressing problems in the society today is the problem of retrenchment and unemployment. The Prime Minister does not offer a single proposal for dealing with problem.

It seems to me that the Government intends to ignore the cries of the unemployed. In order to pursue its stringent IMF formula for recovery, it is clear to me that the Government intends to use the army, the police and the jails to contain the legitimate struggles of the people for peace, bread and justice.

But I utter a word of warning if they sow the wind they shall reap the whirlwind, and if they sow the storm they shall reap the hurricane.

Tourism, which could have provided much needed jobs and a stimulus for local food production has been completely ignored.

The proposals for agriculture, few as they are seem designed to depress agriculture and farming instead of promoting it. There has been no proposals for marketing and agro industries processing and storage.

There are no proposals for dealing with some of the greatest constraints to productivity i.e. graft and corruption, maladministration and inefficiency, nepotism and political patronage.

What the country needs at this stage of our development is inspired and inspirational leadership. Our

most important resource is our human resource. Yet there is not a single statement in the Budget to release our people from the pangs of alienation which they all feel for one reason or another; not a single word to motivate and inspire them with the kind of evangelical zeal that is required for the task of nation building.

Instead, the Budget has been reduced to a mere public accounting exercise. It is simply a statement of how much the parasitic oligarchy will need to keep it in power for one year and how it is going to get that money.

## CABINET RANK

An Alliance Government would have had a Plan — long term, medium term and short-term — of how it intends to provide for the well-being of the people.

The Budget would have been Annual expression of that Plan as it unfurls itself from year to year.

Given the present circumstances an Alliance Government would have examined ways and means of reducing the cost of running the Government, while seeking to provide equal or even better facilities than are being provided at present. This could be done by:

- 1.) Reducing the number of Cabinet Ministers and persons of Ministerial rank. At present I believe we have 21 Ministers all of whom are of Cabinet rank.
- 2.) Eliminating corruption and maladministration and other practices which increase the cost to the people of administration and impose undue burdens on the society.
- 3.) Motivating our public servants to greater dedication and efficiency by ensuring that recruitment, discipline, promotion and advancement will be based on merit and not on favouritism.
- 4.) Abolishing useless Ministries such as the Ministry of Information and introducing instead Freedom of Information Act.
- 5.) Abandoning the present system whereby State funds are used for political campaigning.

These measures should save us hundreds of millions of dollars of tax payers money. An Alliance Government would also reduce the present level of income Tax with a view to encouraging greater productivity.

An Alliance Government would raise revenue by embarking upon a programme of divesting the shares of some State Enterprises, but in a particular way.

In any given State Enterprise, one-third of the shares would be retained by the State, one-third made available for the workers in the particular Enterprises, and one-third for private investors.

[Text]

In any given State Enterprise, one-third of the shares would be retained by the State, one-third made available for the workers in the particular Enterprises, and one-third for private investors.

The revenue so raised would be used to broaden the base of the economy by setting up new ventures on a similar tripartite basis. Many new jobs would be created thereby.

#### NO DUTY ON RAW MATERIALS

In this new kind of economic organisation the workers would have a stake in the industry and so be motivated to increase productivity since increased productivity means increased benefits for themselves.

The enterprise would benefit from the dynamism that is associated with private enterprise, and Government would earn revenue from its share of the profits so obviating the necessity to impose heavy tax burdens on the community in order to run the State.

An Alliance Government would encourage exports by providing meaningful incentives to exporters and removing the current constraints thereto. There will be no duty on raw materials required in manufacture for exports; and all equipment, tools, machinery, literature etc. to be used for research, development, inventions and innovations and other expenditure would be Tax and duty free.

In addition an Alliance Government would, in cooperation with the business community, organise an annual Inventors and Innovators Fair, offering substantial prizes for inventions and innovations that serve the national interest, including exports.

In a few years we can expect a plethora of new products for local consumption and export. I am confident that our people possess the talent and the genius to stand shoulder to shoulder with the rest of the world in the field of technological innovations. All they need is the encouragement and the inspiration of a sympathetic government.

The Alliance Government would consider the possibility of establishing a Free Port at Cedros and encouraging trade with Latin America.

We would concentrate the development of tourism in Tobago, creating there a tourist haven for both foreign and local tourists, so that the industry can sustain itself during the off-season period.

We shall seek to fish-farm the Gulf of Paria in joint venture with Venezuela, and so end the long outstanding fishing dispute between

the two countries. The development of trade with Latin America would be high on our priority list.

An Alliance Government would substantially reduce the necessity to list with a view to its eventual abolition. Because of its geographical and geo-political position Trinidad and Tobago could well become the financial centre in Latin America and the Caribbean.

This would, of course, involve the eventual removal of the restrictions on the movement of money and capital.

In agriculture we regard the questions of marketing and guaranteed prices as of primary importance. These problems cannot be resolved without a plan for the establishment of downstream agro-industries, processing, storage and marketing.

Agriculture must be geared to serve the functions of:

- 1) Providing food at reasonable prices for the nation.
- 2) Providing raw materials for industrial activity.
- 3) Conserving and eventually earning foreign exchange.
- 4) Providing well paid jobs on a regular basis.

These things are possible if you have the political will. The Alliance has already demonstrated the direction of our policy on housing. We are happy to see the Government adopting part of that policy. But I fear that they have copied merely the form. The substance is missing.

The concept of Sou Sou lands includes a heart and a soul. For the PNM, that is going to be hard to emulate. They can never copy that.

Mr. Speaker, there are many more proposals the Alliance can suggest for getting this country out of the mess into which 28 years of PNM rule has put us.

#### HISTORY AWAITS

But we are conscious of one overriding fact, and that is, that no matter how economically sound, no matter how technically perfect are any plans for economic advancement, there can be no movement forward unless we first unite our people as one family, one nation.

National unity, as I have said on many previous occasions, is the sine qua non for national progress. Unless we can end the feeling of alienation that so many of our people feel, unless we can surmount the historical suspicions and antagonisms that exist in our highly plural society, there is little hope for us.

History awaits to bestow the mantle of greatness on those who would unite our people and establish genuine national unity, lasting peace and continuous progress.



TRINIDAD AND TOBAGO

DEBATE ON BUDGET CONTINUES; DUTY EXEMPTIONS OUTLINED

Perceived Attack on Tobago

Port-of-Spain TRINIDAD GUARDIAN in English 24 Jan 85 p 15

[Text]

TOBAGONIANS are aware that the main thrust and objective of the Budget is to prevent at all costs the Tobago House of Assembly (THA) from performing its functions properly, so that it cannot put Trinidad in the shade by having no cost overruns, and completing projects months ahead of schedule.

Senator Neville Hilton Clarke (Opposition-Tobago) made this statement during his contribution on the 1985 Budget debate on Tuesday evening.

"The Budget is an occasion for a grand debate, because it is a time when the Prime Minister attempts to surreptitiously steer the Republic in a particular direction with the aid of his unofficial public relations — the Press," he said.

Senator Clarke said that the Budget was the view of the Prime Minister and his economic proposals to save the Nation from the disasters which he himself had created.

"It is the mirror of his own politico-economic ideas and ideology, but which, when read at length and in depth, there appears in that political pot-pourri an omnipresent confusion which is in reality date-

processed to deceive, to be impracticable and to sustain an inefficient system, and indeed, if at all possible to make the system even more inefficient," he said.

"For Tobago, a budget is not a time for the stifling of argument. On the contrary is a time for the infusion of fresh ideas."

Senator Clarke said that the Budget speech gave no concessions what-so-ever-not even a home for the Tobago House of Assembly and that there was little or no developmental policies for Tobago. There was little or no developmental planning for Tobago.

NO CONCESSIONS

The gas chamber Budget of 1984 Opus No. 4 was no more. The gas escaped and gas it was.

The whisper in Tobago among the countless unemployed, the underemployed, the unemployable, the aged and infirm and even the pensionless pensioners is that "a new, more terrifying weapon against the masses has been invented by Prime Minister Chambers — the Bhopal Budget.

Senator Clarke said that "if agriculture is the heart and bloodstream of Tobago, then tourism is the lungs of Tobago. Incidentally, Robinson, of course, is the brains and Hochoy Charles the arms and legs of Tobago."

"The complete absence of discussion or even mention of tourism is not only obscene, it is pathological," he said.

Senator Clarke told the Senate to remember well, when the Prime Minister spoke those fateful words:

"Fear and terror has descended in Tobago," or words to that effect — that was the end of tourism — at least for the time being. It was a plot diabolically conceived and cunningly executed.

Senator Clarke said that while the Minister of Education prattled about subsidies to five or six hotels in Tobago — cheap hand-outs in the form of taxpayer pittance to the party faithful, to his mind giving subsidies to hotels was meaningless.

What was necessary instead was to build a deep water harbour.

He heard that there was a Russian ship two or three miles off Tobago and the aged were unable to land, therefore the necessity was for a deep water harbour.

Senator Clarke said that the Budget was anti-people, anti-worker-anti-Tobagonian, specifically aimed to bury Tobago and should be deemed unconstitutional, null and void and of no effect.

He said that an action should be brought in the High Court for an injunction to restrain the Government from putting into effect any of the provisions of the Budget. It was a sort of "missing ball" budget for Trinidad; and for Tobago, a "hide and seek" budget.

At the same time, he said, an injunction should be brought to restrain any further construction of the Crown Point airport.

He said that there should be a moratorium on the prices of all commodities in Tobago, at least until the next general elections. There should be freeze on prices on all consumer necessities such as food, clothes and rent. There should be a decrease in the air and sea fares to and from Trinidad.

Port-of-Spain TRINIDAD GUARDIAN in English 24 Jan 85 p 13

[Text]

**OPPOSITION** Senator Dr Sahadeo Basdeo said on Tuesday that discovery of large quantities of oil at the Trinmar West Soldado field was a major reason why Texaco Trinidad was not willing to sell its marine holdings.

He insisted that Government should acquire Texaco's marine assets.

Senator Basdeo was speaking during debate on the 1985 Budget in the Senate. He cautioned that it was time that Government stop tinkering with the oil industry.

Calling for the restructuring of the country's oil/energy sector, Dr. Basdeo, a university lecturer, also emphasised the need to revive the Energy Secretariat and the establishment of the talked about Institute of Petroleum.

#### NOTHING TO REPORT

Senator Basdeo, the Opposition's spokesman on energy and natural resources in the Senate, contended in the 1985 Budget debate, that this year's Budget speech failed to come to terms with one of the most critical, substantive and burning issues in the country — the purchase of Texaco.

He charged that four months after the "grand announcement" about the purchase, the Prime Minister and Minister of Finance, in the Budget speech, refused to tell the country anything new and concrete about the negotiations which were yet to be finalised.

Similarly last year the Prime Minister promised that there was to be a deal with Venezuela for Texaco to refine 25,000 barrels of oil per day in an attempt to keep the refin-

ery going — but no evidence of this had materialised.

He said essentially all the substantive issues in oil remained the same; no decision on Texaco; nothing concrete to report on Tesoro; nothing about restructuring the industry; nothing about rationalising the refining sector; nothing about Venezuela's supply of crude.

Nothing about the outcome of the missions by the Minister of Energy and Natural Resources to Venezuela and other Latin American countries; nothing about seeking some of Amoco's marine crude for our refining purposes; nothing about crude from Nigeria as was mentioned last year; nothing about the future of the National Oil Company.

Senator Basdeo added: "These speak for themselves; they are indicative of the priority which the Government has been giving the oil industry — our major asset, our lifeblood, the very back bone of our economy."

"Our first priority must be to resolve the Texaco purchase in as much as that process has now begun and bring relief to hundreds of workers who are unsure of their fate and who at present are frustrated since they are unaware of what the future holds for them."

Declaring that the uncertainty about the negotiations was also affecting union/management talks and the union (OWTU) had threatened to bring out the workers on the streets, Senator Basdeo warned that the purchase raised other issues.

He said: "The country for instance, has been told that the Government had agreed to purchase Texaco's assets with the exception of marine holdings. Is this so?"

"Only recently, it was reported

that the Government has not closed the option of purchasing Texaco's rights in Trinmar. Is this so? The issue needs to be resolved and clarified."

If Government planned to exclude marine holdings, the country he reasoned, would like to know why this was being done "for if we were to purchase Texaco's refinery, then we have to make it a working proposition."

This meant finding sufficient crude to keep it in operation, avoiding further damage of plant and hardware resultant from under utilisation of existing refinery capacity.

"The fact is that by refusing to commit Texaco to sell its marine holdings, we are actually hastening the deterioration of the refinery. At least purchasing of the refinery should have been tied to this essential consideration."

"The evidence to date seems to suggest that Texaco is once again having the upper hand in all that is happening. For isn't it true that because of the profitability of Texaco's marine holdings and the fact that it fits well with her international oil refining policy, that Texaco's reluctant to part with it?"

He suggested, firstly, that the recent acquisition and discovery of large quantities of oil at the Trinmar West Soldado field was a major reason why Texaco was not willing to relinquish marine holdings.

Secondly, since 1978 with the changing situation in the petroleum refining industry in America and the move to internationally rationalise holdings, it was in Texaco's interest to sell its refinery and divert marine production to the United States.

## Stamp Duty Exemptions

Port-of-Spain EXPRESS in English 30 Jan 85 p 1

[Article by David Renwick]

[Text]

**THE Government expects to lose about \$72 million as a result of the exemptions it has decided to make to the 12 per cent stamp duty on imports introduced in the 1985 Budget.**

George Chambers, the Prime Minister and Minister of Finance and Planning, revealed this in the House of Representatives yesterday when he announced the decision of the Cabinet on the many requests for exclusion from the controversial new tax, which caused a hue and cry when it was imposed.

He was at pains to point out that this was bound to have an effect on Government expenditure.

The major exemption in the Provisional Collection of Taxes Order, which was confirmed by the House yesterday, with the amendments, is the concession to exporters, for which most business organisations had lobbied intensively since the Budget.

They will be allowed a full rebate of the 12 per cent duty on imports of raw materials or intermediate goods, once these are used for the manufacture of exports and once the manufacturers are registered with the Export Development Corporation (EDC).

Manufacturers have also been given a cut in the stamp duty they have to pay on their imports of capital goods such as plant and machinery. This was reduced to six per cent in yesterday's amended order, a 50 per cent ease on the original duty.

Other items which have been allowed total exclusion from

payment of the duty are 28 categories of food and 13 inputs into agricultural production, drugs (but not cosmetics), school books (as certified by the Minister of Education), crude petroleum and petroleum feedstock for processing locally, and goods listed in the Second Schedule to the table of exemptions from duty contained in the customs and excise tariff and trade classification (with the exception of 11 items, including building materials, cotton goods, whisky concentrate, containers of all kinds and field crates for the citrus industry).

The 28 categories of food include milk, butter, cheddar cheese, onions, potatoes, carrots, ground provisions, rice, sugar, edible oils, orange juice concentrate, sardines, corned beef, infant food, codfish, cocoa, beans and peas.

The 13 agricultural-related items include wheat middlings, maize, poultry feed, cattle feed, pig feed, hatching eggs, fertilisers, seeds, baby chicks and soya bean meal.

Chambers told the House the exemptions had been carefully worked out, based on such considerations as the need to "protect the financial integrity of the Budget," to encourage exports, to promote agricultural production and to minimise inflation.

Halving the stamp duty on capital goods was meant to ensure that investment was maintained as much as possible and he attempted to pacify those worried by Caricom imports by noting that finished competitive products would attract the full 12 per cent, while local manufacturers would only have to pay the duty on their raw material component (which would be returned on any products exported).

CSO: 3298/393



TRINIDAD AND TOBAGO

REACTION TO PROPOSED BUDGET CONTINUES ON BROAD FRONT

Sugar Union on 'Slave Labor'

Port-of-Spain EXPRESS in English 11 Jan 85 p 3

[Text]

**ALL** Trinidad Sugar and General Workers Trade Union general secretary Sam Maharaj warned yesterday that the plan to create cane farmers as the major growers of sugar cane was a "prescription for the re-introduction of slave labour in the country."

Maharaj was commenting on the Budget statement relating to the restructuring of state-owned Caroni Limited. He said it was incorrect to say that cane farmers produce more cane more cheaply. He noted that cane farmers used family labour and were able to under-pay their workers in order to reduce expense. He said there were no provisions for benefits to workers employed by cane farmers. Said Maharaj: "You are really re-introducing slavery again."

Maharaj questioned whether the company could produce the 100,000-ton sugar target set in the Budget speech. He said for many years now the company's production level had been below 80,000 tons. He welcomed the new increases in retail sugar prices. He said this was long overdue, noting that

government was subsidising the consumer and not the company since the subsidised sugar retail prices were recorded as losses to the company.

Maharaj said the union was pleased about government's decision to restructure the company's management and make it accountable for inefficiency. This was demanded by the union several years now but Trinidad Islandwide Cane Farmers Association chairman Seepersad

Arjoonsingh said the association had been advocating that some of Caroni's lands be leased to cane farmers. He said this move by government will assist farmers in increasing production. He said he welcomed the adjustment in the price of sugar and praised government for providing farmers with a guaranteed price for sugar cane supplied to Caroni Limited. He said the current price for cane supplied was reasonable.

TICFA's deputy manager Alton Farrell said that the Budget was reasonable for the country. He said the increase in the price of sugar was still too low and it was no way near the economic cost of production.

Port-of-Spain EXPRESS in English 11 Jan 85 p 32

[Text]

**STATE-OWNED Caroni Limited board chairman Frank Rampersad declared yesterday that the company was poised to take up the challenge to produce the 100,000-ton sugar target set by Prime Minister George Chambers, in the 1985 Budget.**

Contacted yesterday, Rampersad said the target was in the reach of the company and that exercises to achieve this have already been set in motion. Said Rampersad: "The target is quite feasible. I would say that with the improved ease and a drastic reduction in unplanned fires we will be able to easily reach this target.

Rampersad pointed out that to achieve the 100,000-ton sugar target

the company would require 1,250,000 tons of cane. Fifty per cent of this total would be supplied by canefarmers. He said the canefarmers had both the capacity and the land to produce this.

He pointed out that 10 years ago the canefarmers produced 825,000 tons of cane. He said this year canefarmers will supply 350,000 tons of cane. He said the company was aiming to produce 25 tons of sugar per acre of cane.

Rampersad said he would be meeting with Caroni senior management later today to discuss the budgetary proposals relating to the industry. He said a similar meeting would have to be arranged with shareholders after the parliamentary Budget debate.

Said he: "We would have to meet with our shareholders to find out what they have in mind. Obviously they provide the money so we want to know what they have in mind." Also up for discussion will be the nature of the restructuring of the management.

Asked whether the restructuring of the company would result in retrenchment of workers,

Rampersad replied: "We are intensifying our mechanisation. Even the sugar rationalisation report clearly indicated that our operations would have to be efficient.

"Mechanisation is the one way to make our operation efficient. We will be discussing this matter with the union. There will be some displacement, but not necessarily retrenchment of workers." Rampersad said the machinery and procedure to be adopted in distributing the 5,000 acres of its land to canefarmers will be set up after the necessary legislation had been approved. He said the company will have to assist canefarmers as far as possible.

Rampersad said the company expected a reduction of about \$40,000,000 in subsidies from government. He said this will represent the sum expected as income with the increase in the price of sugar to consumers. He said the company will have less money for its operational expenses. He said the company will have to maximise its facilities and aim at reducing cost.

## Labour Congress Objections

Port-of-Spain EXPRESS in English 21 Jan 85 p 1

[Text]

THE Trinidad and Tobago Labour Congress believes that the 1985 Budget will create greater hardship for the working class of the country, according to Carl Tull, General Secretary of the congress.

Tull was speaking to the EXPRESS yesterday after a three-and-a-half hour meeting of the Congress' General Council at the headquarters of the Seamen and Waterfront Workers Trade Union (SWWTU) on Wrightson Road, Port of Spain, called to discuss the implications of the 1985 Budget.

Tull said there was a view among the general council that the budget lacked clear direction about the economy of the country.

"We also felt there was no clear mechanism to deal with the adjustment of prices, and that no relief was

proposed for the working class," he added.

"The view was also expressed that the Budget is creating greater hardship for the working class than the entrepreneurial class," Tull said.

He said concern was also expressed about the 12 per cent duty entrance tax and members of the Congress believed it was a disincentive in promoting employment in the country.

"We are concerned about the likely retrenchment that will arise from these new measures which will lead to a further slowing down of the economy," he added.

The congress meeting, presided over by its president, Senator Vernon Glean, expressed serious concern over the banking sector in regard to bank charges.

## ISCOTT Situation

Port-of-Spain EXPRESS in English 16 Jan 85 p 40

[Article by Gregory Shaw]

[Text] The Minister of State Enterprises, Ronald Williams, yesterday informed the House of Representatives that the operating losses of the Iron and Steel Company of Trinidad and Tobago (ISCOTT) for 1984 were \$168 million.

In making his contribution to the ongoing Budget debate, Williams castigated the media for propagating "the lie" that ISCOTT was losing \$1 million a day. He said that, based on unaudited figures, the company was, in fact, only losing \$460,000 per day. He also quoted unaudited loss figures for 1983 to the tune of \$184 million.

The minister went out of his way to correct the impression that ISCOTT lost \$402 million in 1984. He pointed out that this sum was advanced to the company last year to repay its debts. It was money owed to people who had financed the plant and was not an operating loss and there was an obligation on the part of Government to pay "whether Iscott was shut down or not," he declared.

Williams stated that all ISCOTT's accounts, "up to and including the year ending December 31, 1983," had been submitted for audit. The majority of state corporations had submitted their accounts in a timely fashion and no blame could be attached to them, Williams said. "No doubt the Auditor-General has good reasons for the late submission of the accounts to the House," he added.

Asserting that ISCOTT "is not the unmitigated disaster that some people would have us believe," Minister Williams said that as a result of discussions with the Esau Committee and prospective partners he anticipates that "there can be a turnaround at ISCOTT in between 12 and 18 months."

Williams paid tribute to the "excellent job" done by the Esau Committee set up to look into the viability of the company and to recommend a joint venture partner for Government. As a result of their "painstaking, dedicated work," Cabinet is now in a position to negotiate directly with the prospective parties, Williams said.

He added that, if things went according to his time-table, he should be able to make a recommendation (on a joint venture partner) within a week and a half to two weeks.

Williams said that where Government went wrong with Iscott was in the way it chose to acquire the know-how and technology. Admitting that Trinidad had been the "happy hunting ground" of consultants, he said that Government had gone "here, there and everywhere" to hire expertise without getting the cohesive management that was required.

But he added that Government was now in the process of correcting those mistakes. "We have made progress in trying to get ISCOTT in shape."

CSO: 3298/364

TRINIDAD AND TOBAGO

HUDSON-PHILLIPS INTERVIEWED ON DEYALSINGH JUDGMENT

Port-of-Spain SUNDAY EXPRESS in English 3 Feb 85 pp 20, 29

[Interview with Karl Hudson-Phillips by Raoul Pantin]

[Text]

**KARL HUDSON-PHILLIPS** was in a cool, collected frame of mind when I sat down in his office with him last week for this interview.

He had every reason to be at least feeling good. As political leader of the Organisation for National Reconstruction (ONR) and a barrister with a still growing reputation, Hudson-Phillips has just won a major political and legal victory over the Government in the now famous matter of Suruj Rambachan vs TTT and the Attorney-General.

In a judgment that Trinidad and Tobago Television (TTT) has immediately appealed, Justice Lennox Deyalsingh, presiding judge, ruled that TTT had infringed Rambachan's rights by refusing to carry a political broadcast. More, the judge called on TTT to come up with a constitutionally proper

broadcast policy by February 28, or else the Court would hand one down.

**SUNDAY EXPRESS:** Mr Hudson-Phillips, you have just being successful in a constitutional motion before the High Court concerning political broadcast rights on TTT. The judgment by Justice Lennox Deyalsingh, unprecedented in our history, has also become the subject of some debate. What, in essence, is the real significance of this judgement?

**HUDSON-PHILLIPS:** The real significance is an explanation of what is the true attitude which the Government should have in dealing with the fundamental rights of freedom of expression and freedom of the press with respect to the electronic media, that is, television and radio. There's been the popular attitude that because the Government owns radio and television that it could do what it wanted as far as access to that part of the media is concerned.

Secondly, what the judgement emphasises is that freedom of speech

and freedom of the press is a double right — first of all, a right of the particular individual or section of the media to speak and publish and the right of the public in general to receive all views and opinions in a free marketplace of ideas.

This means that for a democracy to truly function, the citizens must be freely informed because democracy is about choosing and you cannot really have a real choice if you do not have the information, if you are not fully informed.

A third important area of this judgement is the analysis of the position of the state corporations which the Government has set up. Several of the state corporations have been incorporated like any other company under the Companies Act, as private companies although wholly owned by the Government.

Now the established constitutional principle is that fundamental rights cannot be enforced against private persons. For example, if a citizen decides that he's not going to invite to his home a person of a

particular race because of his race, no court action can flow. That is because there is a fundamental right of freedom of association and also a right for the respect of private and family life.

Now TTT and the Government sought to argue that because TTT was incorporated as a private company, it should enjoy the same right as a private individual and be free to choose who it permitted and with what frequency to appear on TTT.

What the Court said, to use the language of Justice Deyalsingh, was that the test was not in the simple "private-public dichotomy" but in examining, in a practical fashion, the true position of the particular agency. In this way he came up with the test of "State action". By extension, this will affect all state enterprises which are in a monopoly position.

Justice Deyalsingh also pointed out that whereas with newspapers in Trinidad, if one newspaper refuses to publish a letter to the editor, you can go the rounds of other newspapers. If that fails, then you can buy your own printing press and publish your material.

Not so with television in Trinidad and Tobago, with respect to which the Government has refused to grant additional licences to applicants.

Extending that principle to other state enterprises, one can conceive of a situation where the Cement Company and Caroni Ltd, although privately incorporated, hold, as I understand it, the exclusive right to import cement and sugar respectively. If either of these companies were to discriminate against the citizen by either refusing to sell a particular individual cement or sugar, then that would be a breach of the fundamental right to

equality of treatment from a public authority in exercise of its function.

So this judgement has far-reaching implications, not only with respect to political parties, but the population as a whole.

Finally, another interesting part of this judgement was that what the Court is saying is that there is essentially no difference between political and commercial speech, so called. Commercial speech is advertising goods for sale, political speech is advertising of opinions. If, therefore, there is freedom to purchase advertising time, there should also be freedom to purchase political time.

**SUNDAY EXPRESS:** But one of the obvious criticisms of this judgement is that, in so far as it virtually calls for equal time for all political parties, wouldn't that lead to some confusion? Should every political party really have equal time on TTT?

**HUDSON-PHILLIPS:** Theoretically, yes, since the station is a Government agency, and Government agencies must deal fairly with the citizens. As a Government agency, therefore, TTT is like Customs or Immigration or the Post Office. But there are several immigration offices and several post offices and several customs offices whereas there is only one television station.

The judge further says the Constitution of the Republic of Trinidad and Tobago makes provision for laws to be passed contravening the fundamental rights. Such laws, however, have to be passed with a three-fifths majority of both Houses of Parliament.

If the Government wishes, therefore, to regulate television broadcasting, it cannot do that through a TTT policy

statement but must come to Parliament with a Broadcasting Act, setting out and defining television policy and have that Act passed by a three-fifths majority. Then it would be law, even if it infringed the fundamental rights.

So the answer is to grant more television station licences and, or pass a Broadcasting Act with a three-fifths majority regulating the use of the electronic media.

**SUNDAY EXPRESS:** The judgement itself appears to be incomplete in that Justice Deyalsingh has given TTT until February 28 to come up with a better broadcasting policy. What do you think the judge intended by this ruling? Does TTT still have to comply with this ruling even though it has appealed?

And what are the avenues open to the judge if TTT either does not meet his deadline or comes up with a still unsatisfactory policy?

**HUDSON-PHILLIPS:** As you say, the judgement is not complete so that I cannot with any certainty at this stage or should not hazard an opinion on what the final order is. The view expressed here therefore is my own personal view.

The Court has indicated that the policy of TTT is unconstitutional and therefore that the Court will strike it out. If the Court stops there, it will mean that we could have a situation where TTT would have no policy and could therefore say that it is not going to give time to anybody.

The judge therefore is inviting TTT to do what, in the Court's view, is proper by consulting all relevant groups and citizens affected to see if there can be put before the Court such a policy which will ensure that the fundamental rights of freedom

of speech and freedom of the press will not be infringed in the future.

As I understand it, what the Court is further saying is that if TTT does not hold such consultations, the Court itself will feel free to canvass the views of interested persons so that the Court can make an order which will ensure freedom of the press and freedom of individuals to express political views. In this regard, the Court is also saying that when the Court sits as a constitutional court, it has much wider powers than when it sits as a civil or criminal court.

This is so because under Section 14 of the Constitution where a constitutional motion comes before the Court the Court may "make such orders, issue such writs and give such directions as it may consider appropriate for the purpose of enforcing or securing the enforcement of any of the fundamental rights. These are extraordinarily wide and generous powers.

In this context, if TTT either failed to respond or came up with a policy statement not satisfactory, the Court could, in its own deliberate judgement, by order direct the sort of policy which would be necessary to give effect to the relevant fundamental rights.

**SUNDAY EXPRESS:** It is noticeable that in your arguments in this matter, you relied very heavily on American constitutional law. Justice Deyalsingh appeared to allow this on rather broad grounds. Could you elaborate on why you didn't follow tradition and argue English or Commonwealth law?

**HUDSON-PHILLIPS:** Precedents were quoted from the United States, Canada, the United Kingdom, Guyana, the European Economic



Community (EEC), Malta, Australia and New Zealand. It was a wide ranging argument which lasted over 37 days of hearing. What we must remember is that the United Kingdom has no written constitution. In the United Kingdom,

Parliament can pass any law with a simple majority whether or not it infringes the fundamental rights.

So in this sense, one would not find a situation in the United Kingdom on all fours with the local situation. One therefore had to look at countries which have written constitutions with specific provisions for the protection of the fundamental rights. The United States is one such country and its basic laws are derived from the English common law. So that there was a comparative source of learning there to observe.

**SUNDAY EXPRESS:** Now that TTT has appealed, if such an appeal were successful, what impact do you think this would have? And, of course, if the appeal is successful, would you continue to pursue the issue?

**HUDSON-PHILLIPS:** This particular motion raises such vital and fundamental issues that, in my view, whichever party was successful, it would have appealed. And the issues raised are so important that I think the opinion of the highest court of appeal should be had in the matter.

**SUNDAY EXPRESS:** You would appeal to the Privy Council?

**HUDSON-PHILLIPS:** Yes, I would.

**SUNDAY EXPRESS:** As the leader of a legitimate opposition political party, didn't you think you were taking quite a risk arguing this matter yourself? I mean, if you lost, it could affect your public image badly and having won, some people might just write it all off

as 'politics'. Or is that you have such complete confidence in the judiciary?

**HUDSON-PHILLIPS:** It didn't quite go that way. For quite some time before the particular incident, that is the censoring of the (ONR) statement (by TTT) in December 1982, I had been questioning in my own mind the constitutionality of the policy of TTT. I had discussed the issues with several colleagues inside and outside of the ONR. Grave doubts were expressed as to whether it was possible to bring a successful motion against TTT.

The second thing, of course, is that the ONR could not afford to pay counsel's fees to argue such a matter. This is not the first constitutional matter that I've argued. Previously, I argued the Prakash Singh matter. I also argued the matter of the Attorney General versus John Humphrey, when the Supreme Court was opened on a Sunday to issue a writ and an injunction on a Sunday.

Long before that, I'd argued in Trinidad the case for the land tenant, Shairoon Mohammed, against the Attorney General before the very Justice Deyalsingh who held against me. I have also argued constitutional motions in Jamaica and Grenada.

It goes without saying that I do have complete confidence in the judiciary of Trinidad and Tobago, which is a different question from whether I always agree with the judgements of the courts of Trinidad and Tobago.

**SUNDAY EXPRESS:** On the subject of your public image, some critics say you took on the case of the Grenada murder trials to gain political mileage. What is your response to that? Why did you take on the case?

**HUDSON-PHILLIPS:** First of all, it seems that for certain people in Trinidad and Tobago, I can do nothing right. This puts me at a terrific disadvantage because I sometimes have difficulty deciding whether criticisms are genuine or just hysterical propaganda.

Normally, it would be considered a feather in the professional cap of a barrister if he is offered a brief in a matter as important as the trials in Grenada. My reasons for taking the matter were purely professional, and I am always attempting, not without some difficulty, of course, to keep my law and my politics in completely separate compartments. For me, my appearance in the case in Grenada has nothing to do with the politics.

**SUNDAY EXPRESS:** Don't you think it's ironic, if not a kind of poetic justice, that here you are, a man once damned with the responsibility for the Draconian Public Order Bill of 1970, and now you've won a judgement for the liberation of our constitutional rights. Would you like to comment on that?

**HUDSON-PHILLIPS:** The key word there is ironic. I have always considered myself an unrepentant democrat, regardless of what other people might say. I can only hope that my continuing crusade for the establishment of fundamental rights in Trinidad and Tobago will correct certain misconceptions that people have.

The Public Order Bill of 1970 was a Cabinet decision. It was published for public comment when I was not even in Trinidad and Tobago. And it is recalled that I did what I considered the proper thing to do, that is, offered my resignation when the measure failed.

This reminds me of a recent statement by another former Attorney General who claims that he was powerless to do anything about corruption because the then Prime Minister sent him on a trip around the world for four months.

**SUNDAY EXPRESS:** The entire country knows we are now entering the election season and there is naturally a lot of speculation about the opposition National Alliance for Reconstruction (NAR). The question of leadership still seems to be hanging in the air. And in insisting on a separate identity for the ONR, you seem to have drawn some fire from those people who might think A.N.R. Robinson should lead the united opposition in the next election campaign. Your views...?

**HUDSON-PHILLIPS:**

Opposition unity is now a fact of life in Trinidad and Tobago. There will be no turning back. It is my firm belief that in the next general election, you will not see one opposition party contesting against another in the same constituency.

The question of leadership has not yet been decided amongst the opposition parties. Quite understandably, certain people, and the newspapers, are expressing their preferences as to who should be the leader of the united opposition parties.

This is a democracy. And we must expect that. But one thing I would like to remind the population of is the fact that if Karl Hudson-Phillips was obsessed with leadership, he could

have swallowed his principles and remained in the PNM. Who knows? In such a situation, George Chambers might well not be the Prime Minister of Trinidad and Tobago today.

**SUNDAY EXPRESS:** Finally, what is your assessment of the 1985 Budget?

**HUDSON-PHILLIPS:** You must have noticed that I personally have said absolutely nothing about the 1985 Budget. There is a lot which I will have to say about it at the correct time. What is important at this point in time, in my view, is for the population itself to realise what the Government has done to the people and particularly the poor people in this country. There is a time to talk ...



TRINIDAD AND TOBAGO

COURT ORDERS TTT TO DRAW UP POLICY ON POLITICAL PROGRAMS

Deyalsingh Ruling

Port-of-Spain EXPRESS in English 18 Jan 85 p 1

[Article by Carlton Khan]

[Text]

**JUSTICE Lennox Deyalsingh yesterday struck down a policy dealing with political party broadcasting by Trinidad and Tobago Television and ordered the station's board of directors and general manager to prepare a new statement of policy regarding political broadcasting.**

In his judgment, delivered at NIP-DEC House in Port of Spain yesterday, the judge ordered that TTT formulate policy which afforded to all recognised political parties broadcasting time reasonable both as to number and duration of broadcasts.

The judge, in his 73-page judgment which lasted more than two hours, also ordered TTT to file the new broadcasting policy document in court for its approval on or before February 28, 1985.

"I have no doubt in my mind that the fundamental rights of free speech demand opening up the television media to political broadcast. And if Government does not enact regulations for this purpose, which accords with the constitution, then the court must require time of TTT to ensure the securing of the enforcement of those rights," Deyalsingh said.

He further stated that "in all the circumstances, this is an exceptional case and this

court feels that it should require TTT to prepare and present for the court's approval a statement of policy regarding political broadcasting, taking into consideration the guidelines and findings herein."

Deyalsingh said it was the court's view that TTT consider doing so in or after consultation with recognised political parties, since consultation in matters affecting vital interests are not only prudent and wise but may also be a matter of necessity.

He added that "this court indicates here and now that if there is no consultation as suggested, it will invite all recognised political parties, through an announcement in open court, to appear by counsel and assist the court amicus in its determination of the acceptability of the policy statement."

He pointed out that the court will only be concerned with areas of policy which affect fundamental rights and will not venture on areas which lie within the competence of TTT.

He said: "In the light of the foregoing, I think it will be most appropriate to pronounce first on the proposed statement of policy before I go on to assess damages and formalise order."

The constitutional motion was brought by Sujurattan Rambachan, deputy leader of the Organisation for National Reconstruction and chairman of the St Patrick County Council against TTT and the Attorney General.

## Hudson-Phillips Reaction

Port-of-Spain EXPRESS in English 18 Jan 85 p 1

[Article by Gregory Shaw]

[Text]

A VERY solid blow has been struck for freedom of the press, freedom of expression, and equality of treatment for citizens in their dealings with Government-run agencies.

This was the opinion of the political leader of the Organisation for National Reconstruction, Karl Hudson-Phillips, in commenting yesterday on the historic judgment of Justice Lennox Deyalsingh in connection with Suruj Rambachan's constitutional motion on TTT's political broadcast policy.

Speaking at a news media conference at ONR party headquarters on Albion Street, Hudson-Phillips, who argued the case for the plaintiff, said that the judgment served the interests of all citizens of Trinidad and Tobago and all political parties, including the ruling party.

"In the foreseeable future, it is quite likely that the PNM might need a proper policy with regard to access to the media," he quipped. "We feel that we have done something to benefit the whole population."

Hudson-Phillips pointed out that the judgment would have the effect of opening up television in Trinidad and Tobago. It had implications not only for political parties, but also for "Pan Trinbago, artists, trade unions, sporting clubs, cultural clubs," he said.

He also noted that the judgment had implications not only for TTT but for the electronic media as a whole. He expressed the hope that the National Broadcasting Service would be "sensitive" to the judgment and call in political parties with a view to formulating a new political broadcast policy.

In outlining the background to the judgment, Hudson-Phillips noted that the constitutional motion arose out of TTT's editing of a political broadcast by Rambachan in December 1982.

TTT took objection to three items in Rambachan's speech — the first was a reference to Government's broadcast policy itself; the second was a statement that ISCOTT had failed — TTT objected that this was not a correct statement; and the third was a comment to the effect that the Budget had caused the cost of a house to go up by \$10,500 — TTT said that they had made their own calculations and the sum was not so high.

CSO: 3298/382

TRINIDAD AND TOBAGO

WEEKES DECIDES TO STAY ON AS LEADER OF OWTU

Port-of-Spain EXPRESS in English 18 Jan 85 p 3

[Article by Harry Partap]

[Text]

**OILFIELDS Workers Trade Union leader George Weekes yesterday reversed a decision to retire and offered himself for re-election at the union's general elections due early in July.**

Weekes had told the OWTU's annual conference of delegates last September that he would retire as president general, allowing the mantle of leadership to pass on to the young and militant members of the union. At the time, his likely successor was Errol McLeod, who is the current vice president. Weekes' announcement was the result of a resolution calling on him to reconsider. But this was followed by a moving plea from one of his sons, asking that Weekes be allowed to retire in peace.

Weekes was elected to the post of president general in 1962 after ousting John Rojas. Weekes had led his "rebel" team in that election and captured all the seats on the executive. Since then, he had opposed the presence of Texaco Inc in the country and had constantly called for the nationalisation of the company's assets. Weekes continued his opposition to Texaco even at this stage when the company was preparing to leave the country.

Weekes' decision not to retire was told first to the union's general council at a meeting held on January 9, 1985, at Paramount Building in San Fernando. The decision was released to the media yesterday. Said Weekes: "Since our 45th annual conference of delegates concluded, I have given, as you would expect, the most serious consideration to the resolution that was passed at the conference on September 29, 1984, inviting me to reconsider my decision not to seek re-election as president general at the upcoming elections of executive members of our union."

Weekes added: "As a result I have decided that I will offer myself for re-election at

those elections as president general of the OWTU along with other "rebel" members, contesting as a team in the traditional manner and in accordance with the dictates of the OWTU democracy. I have come to this decision after a series of meetings and consultations, in particular, with my doctors, my family, with my executive team-mates, union employees, union members, members of other unions, members of the public and, above all, with union activists of our rebel cabinet."

Said Weekes: "So that though the decision is and remains a personal one, it is important for me to record that I arrived at it in the course of a co-operative exercise in which, certainly not for the first time, I became persuaded to subordinate my private concern and preferences to the collective interest and desires of fellow members for the immediate and ultimate general good of our union and, I would also hope, our country."

Weekes said that his decision to seek re-election will be castigated by the "sworn enemies and would-be destabilisers of our union." Said he: "Let them talk, let them make their play. Whatever else they may say they dare not suggest that the resolution of our annual conference and my response to it have been generated by the 'who we go put' syndrome. Far from it." He added: "I am satisfied that there is no lack of competent and deserving stewards waiting in the wings of OWTU democracy to take over. Indeed, the one reservation that I have not yet completely got over is that I have been untimely arrested in the act of clearing the way immediately for at least one such steward. I can only trust that history will vindicate and applaud the judgment of the sponsors and supporters of the resolution."

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TRINIDAD AND TOBAGO

CONTINUED FREEDOM OF CONVICTED MUSLIM LEADER REPORTED

Port-of-Spain EXPRESS in English 19 Jan 85 p 1

[Article by Suzanne Lopez]

[Text]

**YASIN ABU BAKR**, who was sentenced to 21 days in jail by a High Court judge on Thursday, was a free man up to yesterday afternoon.

And any attempt by the law to have him arrested or to demolish an almost complete house of worship on grounds now occupied by the Muslim organisation, Jamaat Al Muslimoon, will be met with "strong resistance," Abu Bakr said yesterday.

Abu Bakr, who was sentenced by Justice Jean Permanand for contempt of court, remained relaxed and composed during an interview with the EXPRESS yesterday about his alleged occupation of state lands at Mucurapo Road, Port of Spain.

Abu Bakr, an Imam in the Mucurapo Muslim organisation, emphatically denied that he was a squatter and produced documents to refute allegations to that effect.

A newspaper clipping showing a photograph of a foundation stone of the proposed Islamic Cultural Centre on lands allocated by government to the Muslim Guild in 1969, was also produced.

"This indicates that we are not squatters and that this land

was given to us for this purpose," he said. He also produced a document sent to the Muslimoon by the Ministry of National Security, dated May 12, 1982, assuring the Muslims that the occupation of their land by building contractors would have been investigated.

Abu Bakr made pointed references to the part of the letter from the Ministry which read: "Financial claims against the company of Moonan/Raken receiving \$2,000 per month from government for use of your property located at 1 Mucurapo Road, Port of Spain."

He said he never responded to the City Clerk's requests to hold discussions on relocation of the community since "such discussions were a waste of time. The land belonged to us."

He pointed out that plans to change the site of the centre with an alternative parcel of land in Kelly Village, Caroni, was "an absolute lie."

"The land of which they speak belongs to Ayoub Mohammed who donated it to the Guild," Abu Bakr said.

Up to yesterday afternoon, Abu Bakr, a former policeman, said he had not been approached by the law regarding his 21-day

jail term and the demolition of the impressive, almost complete mosque.

"I am not in hiding as the news reported. If I were I would not be speaking to the press now, would I?" he asked rhetorically.

In the judgment passed down by Permanand, the Mayor of Port of Spain and his servants were empowered to demolish and remove a structure, columns, steel beams and construction carried out on the north-western side of the alleged illegal compound.

According to the Mayor's office, Abu Bakr was sent a letter by the City Clerk inviting him to call on the Mayor to discuss relocation since mid-1984. The Mayor's office reported subsequently that Abu Bakr never acknowledged the letter nor attempted to convene a meeting.

When construction work began on the new building, an injunction was slapped on the organisation ordering them to desist from erecting the structure.

Judgment on the matter between the Mayor, Aldermen and citizens of Port of Spain and Bakr and Jamaat Muslimoon resulted in a 21-day jail term being slapped on the Imam.

TRINIDAD AND TOBAGO

DONALDSON CALLS FOR END TO IMPORT OF ILLEGAL ARMS

Port-of-Spain EXPRESS in English 16 Jan 85 p 4

[Article by Davan Maharaj]

[Text] National Security Minister John Donaldson yesterday declared that there is a need for "all levels of society" to co-operate with the police to stem the spate of illegal imports of arms and ammunition in the country.

"It is a cause for national concern when a number of our citizens are illegally importing guns into the country," Donaldson said.

Last week, Customs and Police officials seized 32 firearms and 345 rounds of ammunition which were hidden in speaker boxes to be cleared at Piarco International Airport. And two locals are still detained in Miami, USA after they were held with 36 hand-guns last week. It was reported that the two men who are from central Trinidad had bought another 46 hand-guns on previous visits to Miami.

Asked for his suspicion on the recent illegal imports of arms, Donaldson said, "it is not so much what I think. The police are monitoring the situation and the facts point out that some arms are imported for criminal activities, to facilitate deliveries of drugs, etc. Some people buy them for their own personal safety and others buy to sell. It might be, and I am sure, there is some political and other aspects involved."

Asked to elaborate on the "political and other aspects," Donaldson said, "some time ago at a political situation I spoke about the possibility of arms coming into the country. My statement got mixed up and I refrained from referring to the theme."

The National Security Minister added: "If good sense cannot prevail, then I would put a damper on those statements. But we would be real fools if we were to think that political violence cannot happen in Trinidad and Tobago. I don't mean to alarm and I can assure that the PNM is not a political party involved in introducing violence in the political arena."

Asked to comment on reports that submachine guns were recently discovered by police in the south western district near Cedros, the National Security Minister confirmed that machine guns "and machine pistols" were discovered. "We are taking all sorts of measures," Donaldson said when asked what steps the police were taking to halt the illegal importation of arms.

"But the greatest measure is achieved with the co-operation of the general public which must now provide information."

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TRINIDAD AND TOBAGO

ROBINSON VOICES OBJECTIONS TO TALK OF 'READJUSTMENT'

Port-of-Spain EXPRESS in English 19 Jan 85 p 3

[Article by Compton Delph]

[Text]

DECLARING that he will not be caught by the current catch phrase, *readjustment*, A.N.R. Robinson, chairman of the Tobago House of Assembly, has stressed that the "re-adjustment we need is to the demands of independence of which we were well aware when we achieved that status in 1962."

"Not to accept this proposition is not to accept responsibility and not to accept responsibility is incompatible with nationhood and independence," he said on Thursday afternoon in launching the 1985 programme of the Management Development Centre in Tobago. "This, I suggest to you, is the greatest managerial weakness, in our society."

Robinson said that the current talk of re-adjustment represents a very superficial and misleading view of the situation in the country.

"Talk of readjustment implies that before the oil boom of the past 10 years, we were adjusted

to our situation, that the oil boom disturbed our equilibrium and that the need now arises to adjust to a new equilibrium in a contracting economy arising from declining oil revenues," he said.

But the real adjustment which the country needs, he stressed, had nothing to do with the oil boom "beginning, climax or end."

Independence in 1962, he said, dropped the challenge and the opportunity to manage the country's economy to maximise advantages to the population. And at the time, it was known that the country had not only to face a competitive world, but it could not continue to depend so heavily on petroleum.

Robinson stressed that 22 years after independence "we have an exact repeat of the situation that occurred immediately prior to independence as was summarised in my first Budget speech as Minister of Finance in 1962 as follows:

1. A drastic decline in the current account surplus and a consequent



decline in the contribution to development from this source.

2. The exhortation of surplus balances.

3. Expenditure rising at a considerably faster rate than revenue."

The only difference between 1962 and 1982 is one scale, the former Minister of Finance stressed. In 1962, he said, current revenue was \$166.7 million and current expenditure, \$128.7 million. In 1982, current revenue was \$7,117.8 million and current expenditure \$6 billion.

"To every dollar of revenue we received in 1962, we received over two million in 1982 and for every dollar of expenditure in 1962, we spent over 47 million in 1982," he emphasised. "Over the 10-year period 1964-1973, expenditure multiplied by two and a half, from \$226 million to \$606 million; over the next decade, expenditure multiplied by 15 or seven times as fast as the previous decade."

"Did we know what we were doing?" he asked. "We knew exactly what we were doing," he answered, and proceeded to quote from the Budget speeches of 1973 and 1974 in which the then Minister of Finance, the late Dr Eric Williams, warned about "unrealistic expectations regarding the level of income

which the country can count on from its natural resources... which was adversely affecting the economic behaviour in the country."

"Failure to exercise restraint and institute control will cause serious damage to the country in the near future," Williams had warned in 1973.

"Prophetic, don't you think?" declared Robinson on Thursday. "If we knew all this at the start of the oil bonanza, then what has been lacking?" he asked. "Simply, the effort of will," he answered. "We knew what we ought to do, but we could not will ourselves to do it," he declared.

What was needed in the country, said the Assembly chairman, was "a genuine commitment to a national strategy of transformation. We must evolve such a strategy and we must have the unshakeable will and commitment to carry it through."

"Responsibility, self-reliance and commitment to a national strategy of transformation are three basic ingredients required of management in all segments of the society," he said. "The service provided by the Management Development Centre is a means towards this end," he said.

TRINIDAD AND TOBAGO

CONTRACT DISPUTE GOES TO TRIBUNAL; COOPERATION URGED

Public Servants Case

Port-of-Spain EXPRESS in English 12 Jan 85 p 1

[Article by Irma Rambaran]

[Excerpt]

**FOR the first time in this country's industrial relations history, a dispute involving the entire Public Service has been referred to the Special Tribunal for settlement.**

Prime Minister George Chambers yesterday referred the dispute under Section 21 of the Civil Service Act to the chairman of the Essential Services Division of the Industrial Court, F.L. Corbie.

The referral came two weeks after Chief Personnel Officer Hilton Cupid informed him that he was unable to reach agreement with the Joint Negotiating Team - the six unions which represent the 65,000 civil servants.

In a letter to Corbie, who will head the Special Tribunal, Chambers said: "In accordance with the provisions of Section 21 of the Civil Service Act, Ch. 23:01, I hereby refer for settlement by the Special Tribunal established under the said Act, a dispute involving the Public Services Association over the revision of existing terms and conditions of employment of civil servants, in respect of whom the PSA is the appropriate recognised association within the meaning of the Civil Service Act."

Similar letters referring disputes with the Trinidad and Tobago Unified Teachers Association, the Postmen's Union, the Prison Officers Association, the Police Association (Second Division) and the Fire Services Association were sent to Corbie.

Under the Civil Service Act, an award made by the Special Tribunal will be binding for not less than five years from the date on which the award takes effect. However, the Tribunal may, with the agreement of the parties, review the award after the third year of the contract.

## Call for Joint Action

Port-of-Spain EXPRESS in English 21 Jan 85 p 32

[Text]

**FRANK SEEPERSAD**, secretary general of the Trinidad and Tobago Unified Teachers Association, yesterday called on Government to unite with Trade Unions towards restructuring the economy of this country.

Echoing the call made earlier, by OWTU's President General George Weekes, Seepersad said: "Unless the Government takes the trade unions in its confidence, the economy will continue to be plagued by inefficiency and mismanagement."

Seepersad was representing TTUTA at the joint trade union grouping meeting, held at OWTU's Paramount Building, San Fernando yesterday.

The objective of the meeting was to inform trade union members of different negotiations and to identify their common problems, and to formulate strategies to deal with worker's problems in 1985.

Referring to the 1985 Budget, Seepersad charged that, "in this year's Budget presentation, Prime Minister George Chambers has not enunciated any policy with respect to education."

He said, unless the Government is serious about restructuring the

education system to cater for quality education for all, "your child will continue to be counted among those who the society will consider as aliens."

Seepersad blamed the high rise in unemployment on the Government's lack of interest to expand the facilities for job training, for thousands of school leavers.

He said that teachers will continue to be blamed for absenteeism and low productivity, unless government pays serious attention to the dilapidated conditions of more than 60 per cent of primary schools in the country.

Drawing closer attention to the Budget, Seepersad said: "Although widespread discussions are being held on a Draft Education Plan, (1985 -- 1990) there has been no indication that such a plan would be introduced in 1985."

He said: "Furthermore, government's non-fulfillment or non-implementation of development projects earmarked as far back as 1980, can be attributed to mismanagement and inefficiency. And unless incentives are given for further professional training, the achievement of higher levels of excellence among our people, will remain a dream."

CSO: 3298/365

TRINIDAD AND TOBAGO

SECURITY MINISTER SEES THREAT; VIEWS WIDELY QUESTIONED

Donaldson's 29 January Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jan 85 p 16

[Text]

THE MINISTER of National Security, Mr. John Donaldson, had called for the national community to be identified with the Defence Force and the protective services if they must use force in the name of peace.

He said that there were many groups spending time planning action that was not in the nation's interest.

The Minister was speaking at the formal opening of the north and east wings of the office of the Chief of Defence Staff, Teteron, on Tuesday evening.

Mr. Donaldson said:

"The Defence Force was established in 1962 with a strength of 817 officers and men. Over the past 22 years the Force has been steadily increased to meet the demands of the internal security, the surveillance of territorial waters and other interests, and the provision of essential community services in time of emergency. The present strength is now 2,117. In order to maintain effective control of the expanded units, the office of the Chief of Defence Staff was created in 1979 with responsibility for the operational use of the Force.

On July 8, 1982, Cabinet agreed to the construction of two (2) wooden buildings at an estimated cost of \$473,000 to provide additional and improved accommodation with essential facilities for the military and civilian personnel.

The construction of these buildings was undertaken by the Defence Force and completed in approximately 18 months. I would like to take this opportunity to commend the building supervisor, Mr. Cecil Williams and his men, civilian and

military members of the Community Service Detachment and the Utility and Engineering Corps for their sterling performance and unstinting efforts in bringing this task to fruition.

The completion and opening of these buildings we see here this afternoon, represents Government's Commitment to the Welfare and high morale of the members of the Defence Force, through the provision of all necessary equipment, staffing, training, and accommodation and conditions of service for the Defence Force.

The headquarters of the Defence Force at this location has its genesis in events over a decade ago, when Trinidad and Tobago was in the midst of social and political turmoil, that, but for the good sense of the Government, would have destroyed our country. It was a time when the sunshine patriots fled from Trinidad and Tobago, literally, taking whatever could be carried.

It was a time when the best and the worst aspects of our national character found expression. I recall that period quite vividly, for it was a time when I returned to Trinidad and Tobago deliberately to contribute my whole being to the efforts

of the Government to keep the ship of state afloat. All here present today, and the national community, must recall that the Government acted in measured and responsible ways, even in the face of extreme provocation. To the credit of those in authority, at that crucial period, there were no excesses for which we must now atone. The national community was preserved and our Constitution and laws are no less respected for the experience.

I recall that period also for I discovered in a very tangible manner, the number of people who were really committed to Trinidad and Tobago. There is somewhere in every Police Station, the list of those patriots who offered to assist in the maintenance of the integrity of the State.

## LOVE OF COUNTRY

This building is a monument to those who offered to serve, not for reward, but because of love of country.

I wish to take this opportunity to urge the members of the Defence Force to resist the approaches of those who would invite them to dishonour the noble traditions of the profession of warrior.

I wish also to indicate that one of the overriding reasons for my concern about Trinidad and Tobago at this time, is the fact that there are many groups spending much time planning action which is not in the nation's interest. I say this publicly so that those involved would think again and perhaps have a change of plan. A look at what some of their supporters have brought about in some countries in our area, should alert them to the possibility of failure and the problems that flow from such failure."

## Panday Criticism

Port-of-Spain TRINIDAD GUARDIAN in English 31 Jan 85 p 16

[Text]

OPPOSITION Leader Basdeo Panday yesterday hit out at National Security Minister John Donaldson for the statement the Minister made regarding groups planning action which was not in the nation's interest.

Mr. Panday referring to the Minister's remarks, called on Trinidad and Tobago Television (TTT) to open its doors to views which were not necessarily those in keeping with the Government.

"And to have fair reporting so when the Minister makes a statement, he must either be questioned seriously or the Opposition must have an opportunity to do it."

Mr. Panday said he listened to the remarks of the Minister and described Mr. Donaldson as a "joker." Mr. Panday asked: "If the Minister had such information, why did he not speak out in Parliament on Tuesday, so that the Opposition would have had an opportunity to reply? Why should the Minister make such statements outside of Parliament?"

Mr. Panday said "Mr. Donaldson should be taken to task for making such an unfounded statements."

Mr. Panday has called on Prime Minister George Chambers to put a stop to Mr. Donaldson making such statements "because I believe that it is a calculated act of terror."

He said if the Prime Minister is unable to put an end to such action, then the public must do something about it.

## DANGEROUS PATTERN

The Opposition Leader said: "Mr. Donaldson has been adopting a very dangerous pattern of behaviour lately in which he seems to believe that he will stay in power if he could terrorise the nation by making unfounded statements which leave all his options open."

Mr. Panday said that if there is any truth in what the Minister said, then he must act... he must arrest those people conspiring or plotting to murder or to overthrow the Government. By leaving the allegations open if any group attacked the Government, he could then say that was the group he was talking about.

Mr. Panday said he would prepare a comprehensive statement on the matter.

## 'Inconsistency' of Statements

Port-of-Spain TRINIDAD GUARDIAN in English 1 Feb 85 p 8

[Editorial]

[Text]

MR. JOHN DONALDSON must either be a joker, as Opposition Leader Basdeo Panday describes him, or a dangerously confused man.

On the one hand, the Security Minister tilts verbally at windmills or menaces which he refuses to define while, on the other, he remains the master of inaction and apathy when faced with a serious threat to law and order in the country.

How can he reconcile the two?

Mr. Donaldson must know that he is losing the confidence of law abiding citizens in the country by this glaring inconsistency.

Scheduled to address a function at Defence Force headquarters, Teteron, last Tuesday, it was expected that Mr. Donaldson would take the opportunity to ease growing public anxiety over the failure of the Police to arrest Imam Bakr who remains outrageously free 16 days after he was ordered to serve a 21-day jail term for contempt of court.

### PERSUASION

Instead, in his own mysterious way, the Security Minister chose to deal with one of the "over-riding reasons" for his concern about Trinidad and Tobago at this time.

There are many groups, Mr. Donaldson observed, "spending much time planning action which is not in the national interest." He was saying this publicly — apparently in the spirit of a friendly warning — "so that those involved would think again and perhaps have a change of plan."

And he further advised: "A look at what some of their supporters have brought about in some countries in our area,

should alert them to the possibility of failure and the problems that flow from such failure."

What does Mr. Donaldson expect the peace-loving citizens of our country to make of all that? Who are these menacing groups and precisely what are they up to?

Are we to expect from their devilous plans a violent overthrow of the Government — a possible coup that would not be very comfortable for the Security Minister himself — and the imposition of some totalitarian regime?

And what is Mr. Donaldson doing to thwart their nefarious plans, apart from advising them to change their minds?

Perhaps Mr. Donaldson is waiting and hoping to use the art of friendly persuasion upon them. In that case, we suppose we should really have nothing to worry about if and when these revolutionary groups should decide to make their play and say "war!"

Our soldiers need not take any action, because there would be obvious bloodshed. And they can be assured of receiving ministerial compliments for their tact and good judgment.

The best strategy in the circumstances would be to send for intermediaries with a view to negotiating with the coup-makers a peaceful settlement of the delicate situation.

And so our citizens can rest easy that the security of the nation is in very good hands.

Bewilderingly enough, however, Mr. Donaldson, in the same address, calls on the national community to "stand up to be identified with the members of the Defence Force and the Protective Services when,

in the name of the peace and security of the State and the security of its citizens and the integrity of our institutions, our constitution and our laws, they must use force."

### CORRUPTION

Is this the same Mr. Donaldson who rushed to compliment the Police for not enforcing the order of the court against Imam Bakr?

Is this the same Mr. Donaldson who still refuses to listen to the mounting clamour of citizens outraged at the defiance of the Muslimmeen and demanding that the institutional integrity of our courts be upheld by compliance, forceful or otherwise, with the order to arrest the Imam?

If it is, then he must be a joker or a very confused man indeed.

This newspaper sees its duty to the country very clearly in this matter. And we have been fulfilling it despite the threats and vituperation from fanatical supporters of the Muslimmeen.

We have no desire to deprive any group, religious or otherwise, of what is legally and rightfully theirs, but there is no way that we can compromise on the issue of the integrity of our courts and the rule of law in our society. To accept any corruption of that is to accept a state of chaos.

We must thank the Law Society for their clear and candid statement which strongly supports the stand that we have taken.

### EXPRESS Criticism

Port-of-Spain EXPRESS in English 1 Feb 85 p 8

[Editorial]

[Text]

WHAT is the Minister of National Security, Mr John Donaldson, on about this time? If we take the Minister seriously, there are nefarious plots and plotters afoot in the land, and the situation is perilous enough for him to appeal to Trinidadians and Tobagonians to "stand up to be identified with the members of the Defence Force and Protective Services."

Why Mr Donaldson should choose the occasion of the official opening of the North and East wings of the Defence Force headquarters in Chaguaramas to make such a statement and not, more properly, Parliament, where such matters really belong, is, we think, puzzling and a little alarming.

"I wish", Mr Donaldson said at this ceremony, "to indicate that one of my overriding reasons for my concern about Trinidad and Tobago at this time is the fact that there are many

groups spending much time planning action which is not in the nation's interest. I say this publicly so that those involved would think again and perhaps have a change of plan."

Mr Donaldson, who as Minister of National Security must be privy to security information that neither the press nor the ordinary layman has access to, has taken an odd tack, we think, in dealing with such a situation. We wonder, indeed, if he does have evidence of plans by certain persons — and his statement is "many groups" — to usurp the power of the State? Or, is it that he is simply passing on fears which he and his informants may have?

If it is the former, surely Mr Donaldson has the resources and the legal means to bring the perpetrators of armed conflict before the courts of law, especially since threats to national security are no laughing matter in the world we live in today.



If it is the latter, and if it is that Mr Donaldson is simply seeking to frighten off possible plotters though he may not have the hard evidence to have them convicted, one wonders if this is the wisest way for a Minister of National Security to proceed. Isn't it likely that the broadcasting of such views from a Minister of National Security will do little more than cause alarm in the country at large?

Is the average citizen now to believe that his rights and freedoms are under serious threat from more than one person or groups? What should he or she do then? Leave it to the Minister of National Security to nab the culprits in time? Or, take self-protective action? *How does the Government, and this is the real question, propose to cope with such threats?*

Our concern, we feel, is justified especially as Mr Donaldson's warning comes on the heels of the recent arms hoax in the Tobago House of Assembly election campaign. And this new public disclosure of the possible armed overthrow of the Govern-

ment, and, indeed, of the Constitution, leaves us with more questions than answers. Certainly, as our Tobago correspondent pointed out on Wednesday, the Ministry of National Security, or the Director of Public Prosecutions for that matter, has not exactly pursued the arms hoax issue with the same degree of alacrity demonstrated in other cases.

One would think that national security being the serious concern that it is, the Minister, or the Government, or other agencies of the State sworn to preserve law and order, would be concerned of any attempt to mislead the population about threats to our national security. That has not been the case to date.

But now, out of the blue, we have the Minister of National Security putting us all on the alert about the possible violent overthrow of the Government, and doing this without producing a shred of evidence. This is not good enough. Mr Donaldson has to convince us that this is not another hoax. He must, indeed, take the matter to Parliament.

Port-of-Spain EXPRESS in English 2 Feb 85 p 3

[Article by Compton Delph]

[Text]

**THERE** were vigorous calls in the Tobago House of Assembly on Thursday afternoon for police action against the *Tobago Informer* and its editor Dr Winston Murray in connection with what has come to be known as the "great arms hoax" perpetrated by the fortnightly newspaper shortly before the November 26 Assembly election.

Every one of seven DAC members of the Assembly, speaking on a motion praising the media for responsible reporting of the elections campaign, condemned the irresponsibility of the *Informer* and accused the newspaper of criminal conduct.

They argued that the *Informer*, in publishing a story that arms had been landed by a Cuban vessel at King's Bay in Tobago, had intended to influence the outcome of the election.

The *Informer* had even published a picture showing a box of rockets, with the caption: "Part of the arms cache already in Tobago." That picture, as the EXPRESS subsequently ex-

posed, was actually one of several others released by the U.S. State Department, showing arms its forces had captured the year before in Grenada.

Every speaker, apart from PNM member William McKenzie, praised the EXPRESS for exposing the hoax which, according to councillor Dr J.D. Elder, terrorised the people of Tobago.

Until the exposure by the EXPRESS, he said, there were a lot of Tobagonians who were not leaving their homes after six in the evening.

Young Assemblyman Gerry McFarlane condemned the PNM for its use of dirty tricks during the elections campaign and deplored the fact that "a party in power for 28 years had to resort to gutter politics.

"The press was vigilant in Tobago, playing an invaluable role in exposing the dirty tricks for which we must all be grateful," he said.

The dirty tricks complained of included the circulation of letters and documents accusing DAC members of murder, rape and arson, said Councillor Regis Caruth.

The *Tobago Informer* arms hoax, he said, was intended to discredit the DAC. But it must also be viewed as a "threat to the sovereignty and security of the nation," he added, and asked: "What has the DPP done about this matter? What about the Commissioner of Police?"

"Had it not been for the EXPRESS exposure, we do not know what would have happened," he said.

Councillor Everett John, who said that he had been personally accused of murder, rape and arson, brought some light relief to the debate when he appealed to Chairman A.N.R. Robinson: "And you know, Mr Chairman, I can't even kill an ant."

Assemblywoman Mrs Miriam Caesar-Moore called for more investigative reporting of the type which had exposed the *Informer's* arms plot as one positive means "to combat the corruption of government."

Assemblyman Stanley Beard supported the contention of Elder that the government had abused its use of electronic media during the election campaign

TRINIDAD AND TOBAGO

MUSLIM LEADER CONTINUES TO DEFY POLICE, RESIST ARREST

'Prisoner-of-War' Ploy

Port-of-Spain TRINIDAD GUARDIAN in English 22 Jan 85 p 1

[Article by Evans K. Greene]

[Excerpts] Imam Yassim Abu Bakr, leader of the Jamaat Al Muslimeen, yesterday successfully defied the Deputy Registrar of the High Court and a party of policemen who went to Mucurapo to arrest him for contempt of court. The Imam, a former member of the Police Mounted Branch, said his followers would consider that he had been taken a prisoner of war if the Police laid hands on him.

The six-man party, headed by Supt Elton Keith, had responded to a request from the court to accompany the Deputy Registrar of the High Court in the execution of a warrant for the arrest of the Imam.

Supt Keith said because of the presence of women and children on the premises as hostages and because of what the Imam had told the Police, he thought it prudent to withdraw.

He said that Police were meanwhile seeking the assistance of members of the religious community to which that group belongs in an effort to persuade them to conform to the dictates of the court.

Supt Keith, officer in charge of Western Division Police, said he would like to emphasise that in circumstances in which the Police have to deal with adult members of the community who use women and children virtually as hostages, special care is exercised.

He added: "It is for this reason that the Police are going to great lengths to ensure that the directives of the Court are carried out as efficiently and humanely as possible."

Councillor Stevenson Sarjeant, Mayor of Port of Spain, commented last night that he had never heard more rubbish, and it was so clear that the Police were not prepared to assume the responsibility of protecting and serving in this country.

The Mayor said that the reasons given by the Police was what he always spoke about--the irresponsibility and lawlessness which had become the accepted norm in the society.

He said: "Imagine the Police do not know when they should act, and how they should act.

"A Superintendent who makes such a statement should be fired, because clearly he does not understand his role and functions."

He added that anyone could call himself a prisoner of war" and then the Police back down instead of protecting and serving."

#### Support for Law of Land

Port-of-Spain EXPRESS in English 22 Jan 85 p 8

[Editorial]

[Text]

**WHATEVER** the feelings of right that they have on their side, the members of the Muslim organisation, Jamaat Ali Muslimeen, and particularly their leader, Imam Yasin Abu Bakr, have painted themselves into a corner.

Unless the Imam can be persuaded to go peacefully and serve the 21 days in jail to which he was sentenced by Justice Jean Permann and there may be a very serious and unfortunate altercation on the lands which he and his followers have been occupying at Mucurapo.

We base this conclusion on the Imam's declaration that any attempt to move them off the land would be met by "strong resistance" which he further amplified as follows:

"Every man, woman and child over the age of seven will resist the law, in any attempt to arrest me or demolish the mosque. If they want to take me as a prisoner of war, they will have to deal with the consequences of war."

We do not know if Imam Abu Bakr is courting martyrdom because he must know that in any confrontation of the kind that his language seems to be suggesting, the Jamaat Ali Muslimeen is not only bound to lose but runs the risk of its members being seriously hurt, or worse.

Moreover, the Imam's whole stance during the affair has been curious, to say the least. He never made any attempt, even when invited to do so, to hold any discussion with the City Council which is laying claim to the land nor, did he, when the City Council pressed its claim in the High Court to seek to challenge that claim.

Instead, he has argued that holding discussions and going to court were both "a waste of time" and he has kept insisting that he and his members were under no obligation to go to court to defend what was already theirs.

But that is precisely what is at issue and since he is not a fool

the Imam must have been aware all the time that he was leading himself and his followers down the road to confrontation which, in the absence of a divine intervention, could only have one chain of consequences, the first of which is the sentence that he has recently received.

It is easy, of course, to see why the Jamaat Al Muslimeen should feel that right is on its side, if only because they were led to believe by a number of officers of the state that their occupation of the land was above board. After all, they have been there for some 10 years during which time they have built a number of buildings, including a primary and secondary school, the former already recognised by the education authorities and the latter would presumably have been, but for this development.

Moreover, the reports we have had so far indicate that they have been doing good work

both at Mucurapo and elsewhere in the community and it is a pity that that things have come to such a pass, particularly when even in the absence of what it considered a legal claim, the City Council was prepared to make some kind of mutually satisfactory arrangement.

We have no alternative, of course, but to support the law of the land but we believe that here is a case where bureaucratic bungling and the failure to act early has combined with religious intransigence to set the stage for a tragedy.

According to the police, they have been moving judiciously on this matter but the press statement can also be read both as a warning to the Imam and his followers and as an exercise to prepare the public mind for any eventuality.

Even at this late stage, we appeal to the Imam and men in a position to give the necessary counsel to let their good sense prevail.

#### Continued Police Frustration

Port-of-Spain TRINIDAD GUARDIAN in English 25 Jan 85 p 1

[Text] Imam Yasin Abu Bakr, leader of the Jamaat Al Muslimeen at Mucurapo, has not yet been arrested by Police by warrant for contempt of court.

It has been eight days now that Bakr was ordered to serve 12 days in prison for contempt of court.

Despite an attempt by the police and the Deputy Registrar of the High Court to carry out the court order, Bakr has been allowed to continue life as normal at the Jamaat.

#### Civil Matter

Supt Elton Keith of Western Division Police led a party to the Jamaat last Monday to carry out the order of Madame Justice Permanand, dated January 17 in which Bakr was committed to prison for failing to carry out a previous court order.

But one police official said last night that Bakr could be arrested only by the warrant from the court.

"If we see him walking near to the police station, we cannot arrest him. It is a civil matter and not a criminal one. We cannot do anything without the court order and in the presence of the Marshal," he said.

Supt Keith went to the Jamaat's office on Wednesday in an attempt to sort out matters. But after he left there was speculation that Supt Keith was unsuccessful in his bid to get Bakr to surrender peacefully.

On December 29, 1984, Mr Justice McMillan granted an ex-parte injunction to the Mayor of Port-of-Spain ordering Bakr and the Jamaat to demolish a structure and steel beams at Mucurapo.

But despite the court's order, construction work on the Mosque continued at full pace.

But Bakr said that the land was given to the Muslim Guild in 1969 by Government for the proposed Islamic Cultural Centre.

Documents to that effect including a newspaper clipping were produced showing that the land was given to the Muslim Guild.

Acting Police Commissioner Clive Sealey, when contacted yesterday about the affair, declined comment.

#### Criticism of Donaldson

Port-of-Spain TRINIDAD GUARDIAN in English 29 Jan 85 p 8

[Editorial]

[Text]

DEAR Mr. Donaldson, what do you have to say now?

Last week, after the police were turned away by threats from arresting Imam Yasin Abu Bakr for contempt of court, you were quite prompt and effusive in your praise for the "tact and good judgment" they displayed in dealing with "a very delicate situation."

Now that the failure of the police to do their inescapable duty in this matter has assumed the proportions of a national scandal, all law-abiding citizens in the country must now be anxious to know whether you are still as enchanted by their performance and the way they have fulfilled

their responsibility to uphold the authority of our courts and the law of our land.

Mr. Security Minister, your silence in the present circumstances can only be interpreted to mean that you are still quite enamoured with the do-nothingness of the police in a situation that grows more mystifying and more ridiculous as the days go by.

Because of the portfolio you hold and because you have involved yourself personally in this issue, we think it necessary to ask you to explain why the leader of a minor religious group is being permitted to set the most brazen example of lawlessness in our country?

You must appreciate that inevitably some connection will be made between your praise of the police and the strange paralysis that seems to prevent them from enforcing the clear-cut demands of the law in this critical matter.

As a result, your credibility as Minister of National Security is bound to suffer in the eyes of those citizens who believe that the rule of law in our country is sacrosanct and that it cannot be compromised in such a flagrant manner without seriously weakening the very fabric of our society.

After all, any other leader of any other group in the country will now be entitled to say, "if the Imam could play, who is we?" That Bakr could set such an outrageous example of disrespect for the authority of the nation's courts without any sign of alarm from you as Minister of National Security is not an impressive index of your concern for maintaining law and order in our society and does not serve to inspire confidence in your government with respect to the eventual safety of our country.

Many, in fact, may well consider the present situation as another example of the inability of your government to act decisively in the face of a crisis.

Remember Grenada? The reason you gave for TT not joining in the invasion forces was that Grenadian soldiers in our Defence Force should not be called upon to join in combat with their brothers in Grenada.

Now, Mr. Donaldson, perplexed Trinidadians must be forgiven if they are inclined to believe that a similar reason lies behind the inertia of the Police in the case of Bakr who happens to be a former member of the Mounted Branch.

Or is it that you and the Police are in fact terrified by the threats of the Muslimeen who have made it clear that the arrest of their leader or the demolition of the mosque they are building at Mucurapo will lead to a holy war?

### FANATICISM

If that is the case, Mr. Donaldson, we suggest that it is time for you to take a rest.

Hand over your portfolio to someone who is prepared to act decisively and forcefully in preventing a piece of our country from becoming the first part of a fundamental Islamic republic (with the help of Mr. Gaddafi, who knows?) and those misguided fanatics who occupy it a law unto themselves.

It is our view that the Muslimeen's tenancy of the land, originally given to the Islamic Missionary Guild, is quite dubious. But whatever their claim may be, it is not the central issue of the frightening dispute that now confronts us.

The root of this matter is the fanaticism of this group which leads them to disregard the rights of the City Council which owns the land and the authority of our courts which are constituted to administer justice in our country and settle disputes between individuals and parties.

For them to say to hell with such rights and such authority in the name of Allah is a most disturbing development in our peaceful multi-religious society. Are the laws of our country so oppressive and our system of justice so unfair that we can permit the threat of a "holy war" to capsize them?

We say no, Mr. Donaldson.



TRINIDAD AND TOBAGO

UNREST IN TRANSPORT, INDUSTRIAL UNION ESCALATES

Port-of-Spain TRINIDAD GUARDIAN in English 1 Feb 85 p 3

[Text] Unrest within the membership of the Transport and Industrial Workers' Union (TIWU) escalated yesterday as about 100 members staged a protest occupation of the union's Laventille headquarters.

A spokesman for the group said that the action was taken following allegations of abuse of union funds made by TIWU's outgoing President General Clive Nunez.

Mr Nunez expressed surprise at the action taken by the protestors and said he was unaware of the planned occupation.

From 6 a.m. yesterday the scene outside TIWU Headquarters; Eastern Main Road, was one of turmoil as employees were barred from entering the building.

The two entrances were locked and the persons inside refused to allow anyone to enter. They said they would continue their action until a general membership meeting was called to discuss the allegations and "clear the air."

Third Incident

A blackboard situated just in front of one of the entrances carried a lengthy statement by the protestors giving the reason for the action.

They claim that rumours of misuse of funds had been circulating since last April and were revived last December when Mr Nunez made mention of it in his six-page letter of intended resignation.

Mr Nunez threatened to give up his post as head of TIWU after his group lost elections in November, 1984.

Yesterday he told the "Guardian" that he went to to the headquarters to attend a central committee meeting scheduled for 1.30 p.m.

"That was when I realised that this was happening," he added, referring to the occupation.

He denied that he was involved in the protest.

Angry union members who had been locked out of the building confronted Mr Nunez about the situation but he continued to deny his involvement.

No member of the TIWU executive was present at the time that the "Guardian" visited the scene.

It was the third major incident at TIWU headquarters in recent times. For the past year a major division within the membership has been evident and before union elections there was a bitter feud which escalated into a pamphlet war involving two factions.

The present executive is made up of members opposed to Mr Nunez.

Just before the elections last November, several members from the PTSC branch of the union occupied the headquarters after they were barred from taking part in nomination day proceedings.

This matter was resolved but unrest flared again earlier this month when people were locked inside the building for several hours. This incident is still being investigated.

It is not known whether a general meeting is being arranged.

CSO: 3298/394

TRINIDAD AND TOBAGO

8,000 COULD LOSE JOBS IN STATE-RUN SUGAR INDUSTRY

Kingston THE DAILY GLEANER in English 28 Jan 85 p 7

[Text]

**PORT-OF-SPAIN, Jan. 27, (CANA)**

**More than 8,000 workers in Trinidad and Tobago's state-run sugar industry could lose their jobs if Government goes ahead with implementing the recommendation of a confidential report now before Cabinet.**

The report was prepared by a committee set up in late 1983 to suggest ways of rationalising the loss-making industry. The committee, headed by University of the West Indies economist Dr. Eric St. Cyr, submitted it last March.

Describing the industry as "non-viable", the committee recommended that the state-owned sugar company, Caroni (1975) limited, move towards a full cane farming sector which would place growing and harvesting in the hands of farmers, and leave production and marketing with the company.

Such a move would reduce Caroni's workforce to 3,000 persons, and cause the retrenchment of 8,500. The committee said it would cost the company initially 375 million to 400 million dollars (one TT dollar — 41 cents US) to cover severance payments.

News of the report, carried in both daily newspapers here, came against the backdrop of questions raised about the future role of sugar in the Trinidad and Tobago economy as production levels continue to decline.

In 1984, production totalled 64,800 tonnes, the lowest level ever, but Prime Minister George Chambers, in his 1985 budget presentation earlier this month, gave the assurance that Government would not abandon the industry.

However, he said: "We must begin by conceding that as a major export industry for Trinidad and Tobago at the end of the 20th century, sugar as we know it is dead."

The committee, in its 75-page report, also recommended that 9,300 acres of sugar lands owned by Caroni be utilized for rice cultivation and another 10,000 acres for fruit trees and the rearing of livestock.

The *Express* newspaper said the report formed the basis of the Government's new policy on sugar, outlined by Prime Minister Chambers in his recent budget address.

CSO: 3298/382

TRINIDAD AND TOBAGO

FURTHER DETAILS ON SUGAR INDUSTRY REPORT, LABOR SITUATION

St Cyr Recommendations

Port-of-Spain EXPRESS in English 25 Jan 85 pp 1, 44

[Article by Harry Partap]

[Text]

**A RECOMMENDATION of the Cabinet-appointed professional committee set up to advise it on a policy for the ailing sugar industry could result in the retrenchment of about 8,500 sugar workers.**

The committee acknowledged that its recommendation for the development of a full cane farming sector would erode the trade union base of a major political community. However, it did not name either the Opposition National Alliance or the All Trinidad Sugar and General Workers Trade Union when making the comment.

The "Professional Committee on a Policy towards Optimum Utilisation of the Resources Allocated to the Sugar Industry" was headed by UWI senior economics lecturer Dr Eric St Cyr. It was appointed by Cabinet on October 3, 1983, and was formally commissioned by Education Minister Overand Padmore on October 13, 1983.

The 75-page report was completed on March 30, 1984, and was subsequently handed in to Cabinet shortly afterwards. It formed part of the policy statement on the sugar industry in the 1985 Budget and is classified a confidential document.

Other members of that committee were Caroni Limited's late company secretary Dr Dayanand Maharaj, UWI senior Soil Sciences lecturer Dr Frank Gumbs, UWI agricultural extension lecturer Dr P.I. Gomes and Ministry of Agriculture, Lands and Food Production official Dr Morgan Job. The committee's terms of reference included, the "formulation for the consideration of the Government of Trinidad and Tobago, a comprehensive policy towards optimum utilisation of the resources allocated to the sugar industry, including proposals for implementation of that policy."

The St Cyr report recommended that the industry move towards a full cane farming sector which will place the growing and harvesting of sugar cane in the hands of farmers, leaving production and marketing with the company. By implementing this policy 8,500 jobs would become redundant since the company's labour force would be reduced to 3,000 workers. The report said the company must find some \$375 million to \$400 million to pay severance benefits to the redundant workers.

The St Cyr report suggested three models for the continued operations of the sugar industry. It identified these as models zero, one and two. The policy directives outlined in the 1985 Budget by Prime Minister George Chambers represented model two of the St Cyr report. Said the report: "Caroni and the industry must adjust to the new environment and the studied recommendation is a phasing of the industry over time from model zero to model one and then as circumstances permit to model two."

The report said that the agreed policy decision must be translated into an action plan. The 11 recommendations of the committee include:

- Through increased efficiency, raising of national production in the short to medium term of five to 10 years, to approximately 100,000 tons of sugar.

- A strengthening of operations of the two sugar factories to function at an average 80 per cent of their milling capacity, ensuring production at the level of 100,000 tons of sugar.

- Factory operations to be normally conducted over a five-day work week, enabling a reduction of factory costs by approximately 15 per cent.

The recommendations of the report included:

- The supply of 1.2 million tons of cane required for the production of 100,000 tons of sugar to be supplied by an expanded output from the private cane farming sector and through contracted leasehold farming operations on company lands.

- Over the three to five year period, the allocation of 25,000 acres of company lands to approximately 1,000 farm operators on specified contractual arrangements.

- A phased allocation of approximately 7,500 acres of company lands for vegetable and other food crop production absorbing some 300-400 leasehold farm operators.

- A comprehensive agricultural diversification programme to bring 9,300 acres of company lands under rice cultivation, 2,000 to 4,000 acres for live-

stock production and approximately 4,000 acres under tree crops.

- The selection of medium-sized farming units for sugar and food crop production must be guided by strict criteria, recognising a preference to former employees with farming experience and amenable to farmer-training programmes and supervision by adequate technical resources.

- An invitation of involuntary redundancy to all categories of current employees with full severance benefits, and the re-training, re-classification and deployment of any other human resources to be pursued by full consultation with respective bargaining units.

- The consolidation of all assets of Caroni (1975) Limited and the Orange Grove National Company Limited into a single corporate structure, allowing cost-effective decentralised operations in the areas of sugar milling, sugar-cane growing, food crops, livestock and rum production with full accountability to the holding company.

- Strengthening corporate management for discharging these tasks.

The St Cyr report said that "a sufficiently attractive guaranteed price must be established by negotiations" with the existing farmers' groups. It said that an annual review of cane prices as it existed should be undertaken while the same practice of two payments per year -- one interim and one final -- continue.

The report added: "Given the international sugar situation with increased production by beet farmers and the competition from corn sweeteners with rapid strides in efficient technologies which are labour-saving, it is unrealistic to expect ever again the existence of a sugar industry which can absorb large quantities of labour in meaningful employment and pay wages commensurate to the cost of living in Trinidad and Tobago. To do this and at the same time produce sugar at a cost that is competitive on the world market is clearly unattainable."

## Sugar Workers as 'Pawns'

Port-of-Spain SUNDAY EXPRESS in English 27 Jan 85 p 3

[Text]

OPPOSITION leader Basdeo Panday has charged the only plan the ruling People's National Movement has for sugar workers is to use them as pawns in an effort to weaken the united political challenge of the opposition parties. This was Panday's first reaction to a recommendation by the St Cyr Committee on the Sugar Industry to retrench 8,500 sugar workers.

The plan called for the implementation of 'Model Two' of the proposal to place the growing and harvesting of cane in the hands of cane farmers. University of the West Indies (UWI) senior economist lecturer Dr Eric St Cyr headed a four-man "Professional Committee on a Policy towards Optimum Utilisation of the Resources Allocated to the Sugar Industry." The Committee was appointed by Cabinet in 1983.

Panday commented: "The PNM has no plan for anything. The only plan the PNM has is to destroy the Opposition and they are using the sugar workers as pawns in this struggle."

But Panday said Opposition support did not rely only on the sugar belt but extended to the north and east of the country. He said: "It is a wrong assumption to believe that our support is only in the sugar belt. We have gone even into the PNM areas."

Panday said that the PNM had been "making a mess" of everything it touched, citing the sugar industry, ISCOTT, and DEWD. He said: "It has been failure after failure because the PNM sees things politically and does not believe in proper planning. The PNM had been doing things only as a means of remaining in power."

"It had destroyed the sugar industry because it felt by doing so it would destroy the Opposition."

Panday accused the government of "hiding facts from the people." He questioned the motive of the government in keeping secret the St Cyr report and not discussing its contents with the workers' representatives.

Panday added: "You are making policy deci-

sions about the sugar industry, yet you deliberately refuse to invite the workers' representatives to give their views on the matter. At least the committee could have asked us to express our views on the issue."

He said that the stumbling block to an economic recovery in the country was the "incompetence of the ruling party."

He said the government will now seek to implement the recommendations of the St Cyr report but refused to put into effect the recommendations of the Sugar Rationalisation Committee (SRC) report which had been accepted by Parliament in 1978.

He said if some of the SRC recommendations had been put into effect six years ago, there would be no need to retrench sugar workers.

## Court-Ordered Wage Hike

Port-of-Spain SUNDAY GUARDIAN in English 27 Jan 85 p 14

[Excerpts]

A NEW collective agreement has been awarded to hourly and monthly-rated employees of Caroni (1975) Limited by the Industrial Court. But it will expire at the end of this year.

The workers, represented by the All Trinidad Sugar and General Workers Trade Union (ATSGWTU) and the Association of Technical and Supervisory Staff (ATASS), are to receive salaries and other benefits retroactive to January 1, 1983.

### TRAVELLING TOO

The lowest classification of hourly-rated workers will now be paid \$8.41 per hour and the highest \$15.79 from this year.

New salaries for monthly-paid staff range from \$2,470 for A-1 workers to \$11,511 for specialists from January.

Awards range from about 18 per cent in the first year and five per cent each in the second and third year.

Previously, hourly-rated workers

in the lowest categories earned \$6.40 and the highest \$12.60. Figures on the previous salaries of the monthly-paid could not be obtained and when contacted union officials said they were still calculating the extent of the court-awarded increases in terms of percentages.

Cost of living allowance existing at December 31, 1982 has been consolidated.

COLA for hourly workers will be computed at a rate of one and a half cents an hour for every one point rise in the Index of Retail Prices.

Monthly rated staff will receive COLA at a rate of \$12 a month for every five-point rise in the Index for 1983; \$13 a month for every five-point rise in 1984 and a similar amount for this year.

New travelling allowances have also been awarded based on recent increases in the price of gasoline.

Only three outstanding issues were settled by the Court although initially there were 27 matters in contention.

However, the Court directed that wages and COLA and travelling allowance be settled through a formal hearing. The other matters were ordered settled through conciliatory proceedings.

Charges of corruption and mismanagement made against the company by ATSGWTU could not be dealt with during the hearing of the dispute. However, the Court directed that the company investigate these allegations "and correct any situation which could result in more productive use being made of the resources at its disposal."

### JOB EVALUATION

The company has also been ordered to carry out a job evaluation and classification exercise based on examination of going rates in the community as a means of fixing salaries appropriate to each category of worker.

The court award for hourly rated workers for the three-year period 1983-85 is as follows for the nine classified groups with effect from January 1 in each year:

GROUP 1: 7.63; \$8.01; \$8.41.  
GROUP 2: \$8.45; \$8.87; \$9.31.  
GROUP 3: \$9.15; \$9.61; \$10.09.  
GROUP 4: \$9.90; \$10.40; \$10.92.  
GROUP 5: \$10.55; \$11.08; \$11.63.  
GROUP 6: \$11.93; \$12.53; \$13.16.  
GROUP 7: \$13.10; \$13.76; \$14.45.  
GROUP 8: \$13.65; \$14.33; \$15.05.  
GROUP 9: \$14.32; \$15.04; \$15.79.

Port-of-Spain TRINIDAD GUARDIAN in English 1 Feb 85 p 3

[Text]

**SAN FERNAN:**

SOME 8,000 sugar workers employed with Caroni Limited could receive backpay amounting to about \$30 million resulting from the recent Industrial Court award on wages and cost of living allowance.

This was stated yesterday by Mr. Sam Maharaj, general secretary of the All Trinidad Sugar and General Workers Trade Union.

Details of the award are still being studied. Although the union has not as yet calculated how much the workers will receive in retroactive payments over two years, Mr. Mahabir believed that the sum could well be around \$30 million.

The union is trying to meet with the company to discuss implementation of the new rates and payment of backpay to the workers, he pointed out.

Talks between both parties are continuing in an attempt to settle outstanding items.

The meeting is fixed for February 8 at the company's office, Brechin Castle.

**STAND TO LOSE**

Meanwhile, over-production is one of the problems facing cultivation workers.

Mr. Maharaj said scores of cultivation workers employed in all sections of the company's operations are complaining that cane bundles in the fields are not being transported to the scales.

He explained that the workers stand to lose because when canes are left in the fields for days, the bundles become lighter and really could not reflect the correct weights.

Mr. Maharaj said he planned to take up the matter with the company.

CSO: 3298/394



TRINIDAD AND TOBAGO

CONFLICT SEEN IN GOVERNMENT STATEMENTS ON OIL, TEXACO PURCHASE

Port-of-Spain EXPRESS in English 21 Jan 85 p 32

[Owen Baptiste column "No Sacred Cows": "Was It a Hoax?"]

[Text] It is clear that the Government is still looking for a solution to the country's worsening foreign reserves and debt position. This is why, undoubtedly, Minister of Energy and Natural Resources, Mr Patrick Manning, appeared to be the only minister to strike a happy note in the Budget debate when he pointed to the possibility of a "major new oilfield remaining to be discovered on land in Trinidad and Tobago."

But the reality is, who is foolhardy enough to believe this, when Prime Minister George Chambers appeared himself to be confused by the negotiations over the purchase of Texaco Trinidad Inc.? In August last year in his Independence Day message Mr Chambers had stated confidently that the Government had finally reached agreement on a price of \$175 million (U.S.) for the company's land operations. However, in his Budget address on January 9 the Prime Minister was obviously bothered by this disclosure and seemed on the brink of disclaiming responsibility for it.

Let me quote Mr Chambers: "When on August 30," he said, "I announced that agreement had been reached in principle under which the people of the Republic of Trinidad and Tobago would acquire by purchase all of the assets and interests of Texaco Trinidad Inc., save and except its marine operations, I did so on the basis of a written communication from the leader of the Government's negotiating team.

"Since that time a number of matters have been imported into the negotiations, the scope of which has thereby been much enlarged. Negotiations have continued over the past four months in both Trinidad and Tobago and the United States. It remains our intention to seek agreement on a purchase through negotiations at the earliest possible date.

"However, in view of the complexity of the issues and the significance for Trinidad and Tobago of the outcome, patience and care are demanded. We are determined to insist on the protection of our sovereignty and to safeguard the interests of the people of Trinidad and Tobago."

I am not surprised that after hearing this statement, the Oilfields Workers' Trade Union has accused the Prime Minister of perpetrating a hoax on the country in his 1984 Independence Day message; and I am not surprised that National Alliance Opposition Leader, Mr Basedo Panday, has drawn from Mr Chambers's reticence the possibility that he had attempted to put the blame for this blunder on the head of Mr Dodderidge Alleyne, who is leading the Government's negotiating team.

And, even though Mr Chambers has said that "the negotiations have now reached a delicate stage and therefore I do not consider it judicious for me to say anything further at this time," do we really care anymore? The issue with Tesoro Petroleum Corporation, for instance, which has been with the auditors for more than two years, is still not settled and Tesoro, the story goes, is demanding \$188 million (U.S.) for its 49 percent minority shareholding in Trinidad-Tesoro, or no deal.

I admit that I do not share the Government's passion for secrecy in these negotiations. It is not a matter of state security and is, in fact, a very straight-forward sale for both oil companies who want out. Besides, neither Texaco nor Tesoro has any other option. There is no way, I am sure, that the Government will allow either company to turn over its assets or shareholdings to an outsider.

The truth is, if I were to study the issue for an hour I am bound to become furious over the length of time we have spent with Tesoro and Texaco and still have not reached agreement. But I recalled that on the day Mr Chambers announced the purchase of Texaco, our News Editor Andy Johnson had reported, after discussions with Mr Alleyne, that "there would be no substantial announcement about Government's intention to purchase the assets of Texaco in the Prime Minister's Independence Day message."

Mr Alleyne had indeed told the EXPRESS that he was unaware that there were any developments at these talks (he was having with Texaco) to warrant any major announcement by the Government. So what was Mr Chambers trying to accomplish?

CSO: 3298/364

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